



Sustainability Report | 2023

# Welcome to Vicinity Centres' 2023 Sustainability Report

## Overview

### OUR SUSTAINABILITY REPORT

Our Sustainability Report is the main component of our corporate environmental, social and governance (**ESG**) related disclosures suite, which includes the Sustainability Report, Task Force on Climate-related Financial Disclosures (**TCFD**) Statement and Modern Slavery Statement.

It should be read in conjunction with our 2023 Annual Report and 2023 Corporate Governance Statement, available on the Financial Results page of our website. Other governance policies can also be accessed through the Corporate Governance page of our website.

Information in this report has been prepared in accordance with the Global Reporting Initiative (**GRI**) Standard at a core level. The report discloses our performance in relation to and management of sustainability issues that are material to our business and our key stakeholders. The GRI Content Index is published in Annexure A of this document (page 48).

Information in this report covers all assets under our operational control (direct and managed shopping centre portfolio) and includes corporate offices. Refer to our 2023 Sustainability Report Criteria located in the Sustainability Reporting section on our website for further information on our reporting scopes and boundaries.

All performance data contained within this report is based on the 12 months ended 30 June 2023 (**FY23**), or as at 30 June 2023, unless otherwise stated. Our performance is reported annually. The FY23 Sustainability Performance Pack is included as Annexure B in this document (page 53) and is available on the Sustainability Reporting page on our website.

Ernst & Young (**EY**) has been engaged to perform a limited assurance review of selected sustainability disclosures within this report. EY's Independent Limited Assurance Report is provided at Annexure C of this document (page 60).

The findings from EY's assurance procedures are reported to Vicinity Centres' Audit Committee.



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### ACKNOWLEDGEMENT OF COUNTRY

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

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





**The following symbols used in this Report cross-refer to more information on a topic:**



Additional information available on our website  
[VICINITY.COM.AU](http://VICINITY.COM.AU)



Additional information within our 2023 Annual Report  
located in the Financial Results section on our website  
[FINANCIAL RESULTS](#)

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**DISCLAIMER:** This report contains forward-looking statements, including statements, indications, and guidance regarding future performance. The forward-looking statements are based on information available to Vicinity Centres as at the date of this report (25 October 2023). These forward-looking statements are not guarantees or predictions of future results or performance expressed or implied by the forward-looking statements and involve known and unknown risks, uncertainties, assumptions, and other factors, many of which are beyond the control of Vicinity Centres. The actual results of Vicinity Centres may differ materially from those expressed or implied by these forward-looking statements, and you should not place undue reliance on such forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules), we do not undertake to update these forward-looking statements. In this report, references to 'Vicinity', 'Group', 'Company', 'we', 'us' and 'our' refer to Vicinity Centres unless otherwise stated.

# Foreword from our Chief Executive Officer

It is my pleasure to present our Sustainability Report for the financial year ended 30 June 2023.

During the course of the financial year, Vicinity refreshed its strategy to focus on being a high performing, property led organisation, where investment decisions and capital deployment are prioritised to drive improved returns from our asset portfolio in addition to creating sustainable asset environments for our multiple stakeholders. The strategy is supported by four pillars:

- Enhance the investment portfolio;
- Deliver property excellence;
- Maintain strong financial stewardship; and
- Enable good business.

Having a sustainable business is critical to delivering long-term value, and our purposeful ESG program is a core component of how we enable good business.

From an environmental perspective, we remain on track to achieve Net Zero for our Scope 1 and Scope 2 emissions for common mall areas across our wholly-owned retail assets<sup>1</sup> by 2030 (**Net Zero Target**), having reduced our energy intensity by 26%, and carbon intensity by 41%, since FY16.



[NET ZERO - PAGE 24](#)



[FINANCIAL RESULTS](#)

Place making is an important element when we consider investing in our centres. We strive to create precincts that are inclusive, enhance wellbeing, are well designed, environmentally conscious, and create opportunities for people to connect and drive a sense of belonging. During the financial year we delivered five major projects across the portfolio including the redevelopment of an existing office tower, known as Chadstone Place, to become the new head office of Officeworks. The project converted an original 1980s building into a 6 Star Green Star Design v1.3, and is targeting a 6 Star Green Star As-Built v1.3 rating, and a 6 Star NABERS Energy rating, in addition to an International Living Future Institute (**ILFI**) Zero Carbon Certification.

Through the course of the financial year, we materially elevated our initiatives to create an open, safe and thriving workplace. We developed and implemented our Respect@Vicinity workplace training and education initiatives across all levels of the company and introduced further methods to facilitate a clear two-way sharing of views, opportunities, and concerns. Through both planned team re-organisation and purposeful succession planning, we have made a meaningful improvement in the proportion of women in our senior leadership roles moving from 22% to 34%.

1. Details of Vicinity's wholly-owned assets can be found in the FY23 Direct Portfolio Property Book on the Financial Results page of our website.
2. Global Real Estate Sustainability Benchmark (**GRESB**).
3. Dow Jones Sustainability Index (**DJSI**).

Our assets are seen as an integral part of the community in which they serve. We have articulated in this report a sample of the multitude of community initiatives across our portfolio during the financial year which, when combined, amount to significant community reach and impact. Our community engagement ranges from portfolio-wide initiatives like our new employee social impact platform, Vicinity Cares, and paid volunteer leave, to smaller centre-led programs focusing on the needs of our local communities.

Employee giving and volunteering increased in FY23 by 4.85% and 5.39% respectively, and we continued to deliver on actions within our Innovate Reconciliation Action Plan (**RAP**), including spending \$5.4 million with Indigenous businesses, which saw us achieve our FY22-FY27 target within two years.

In combining our total ESG initiatives, Vicinity continues to be recognised globally in FY23:

- GRESB<sup>2</sup> ranked #2 in the ANZ Retail Listed category; and
- DJSI<sup>3</sup> ranked Vicinity #8 out of ~450 real estate companies globally.

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

**Peter Huddle**  
CEO and Managing Director (**CEO**)



**Peter Huddle**  
CEO and Managing Director

# Sustainability Highlights

## INDIGENOUS PROCUREMENT

**\$5.4 million**

## COMMUNITY INVESTMENT

**\$4.5 million**



**4 Star Green  
Star Performance**



NABERS ENERGY  
PORTFOLIO<sup>1</sup>

**4.6 Star**



NABERS WATER  
PORTFOLIO<sup>1</sup>

**3.9 Star**

## EMPLOYEE ENGAGEMENT

**66%**

(FY22: 68%)



**Published our first  
standalone statement**

## NET ZERO 2030 TARGET PROGRAM

**41% reduction  
from FY16**



**#2 in the ANZ Retail  
Listed category**

Member of  
**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA

**#8 out of ~450 real estate  
companies globally**

1. National Australian Built Environment Rating System (**NABERS**) Sustainable Portfolio Index 2023, based on Vicinity's ownership interest and ratings as at 31 December 2022, with 99% portfolio coverage.

# About Vicinity Centres

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

A top-100 entity on the Australian Securities Exchange, as at 30 June 2023 Vicinity had 60<sup>1</sup> assets under management around Australia, valued at \$23.6 billion across approximately 2.5 million sqm of gross lettable area (**GLA**).

Vicinity's directly owned portfolio (**Direct Portfolio**) comprising interests in 59 shopping centres is valued at \$14.4 billion, just over half of which comprises Vicinity's Premium portfolio, which includes Chadstone, Australia's pre-eminent retail and mixed-use destination, seven CBD centres located across Australia's three largest cities, and Australia's leading Outlet Centre portfolio.

Our national office is located in Melbourne, Australia, with regional offices in Sydney, Brisbane, Adelaide and Perth. As at 30 June 2023, we employed 1,306 people across our centres and corporate offices nationwide.

For details on our operational and financial performance, see our 2023 Annual Report.

## OUR STRATEGY

Vicinity's strategy is focused on driving securityholder returns where investment decisions and capital deployment are property-led and prioritised to deliver profitable growth. These ambitions are supported by four strategic pillars:

-  Enhance the investment portfolio
-  Deliver property excellence
-  Maintain strong financial stewardship
-  Enable good business

A commitment to People, Place and Planet is how Vicinity drives shared value across all its stakeholders including securityholders, employees, consumers, retailers, suppliers and the communities in which Vicinity operates. Vicinity has a purposeful ESG program, which delivers a continuously improving approach to environmental performance, with a focus on climate-related risk identification and mitigation, and strives to create precincts that are inclusive, enhance wellbeing, are well designed, environmentally conscious, and create opportunities for people to connect and drive a sense of belonging.

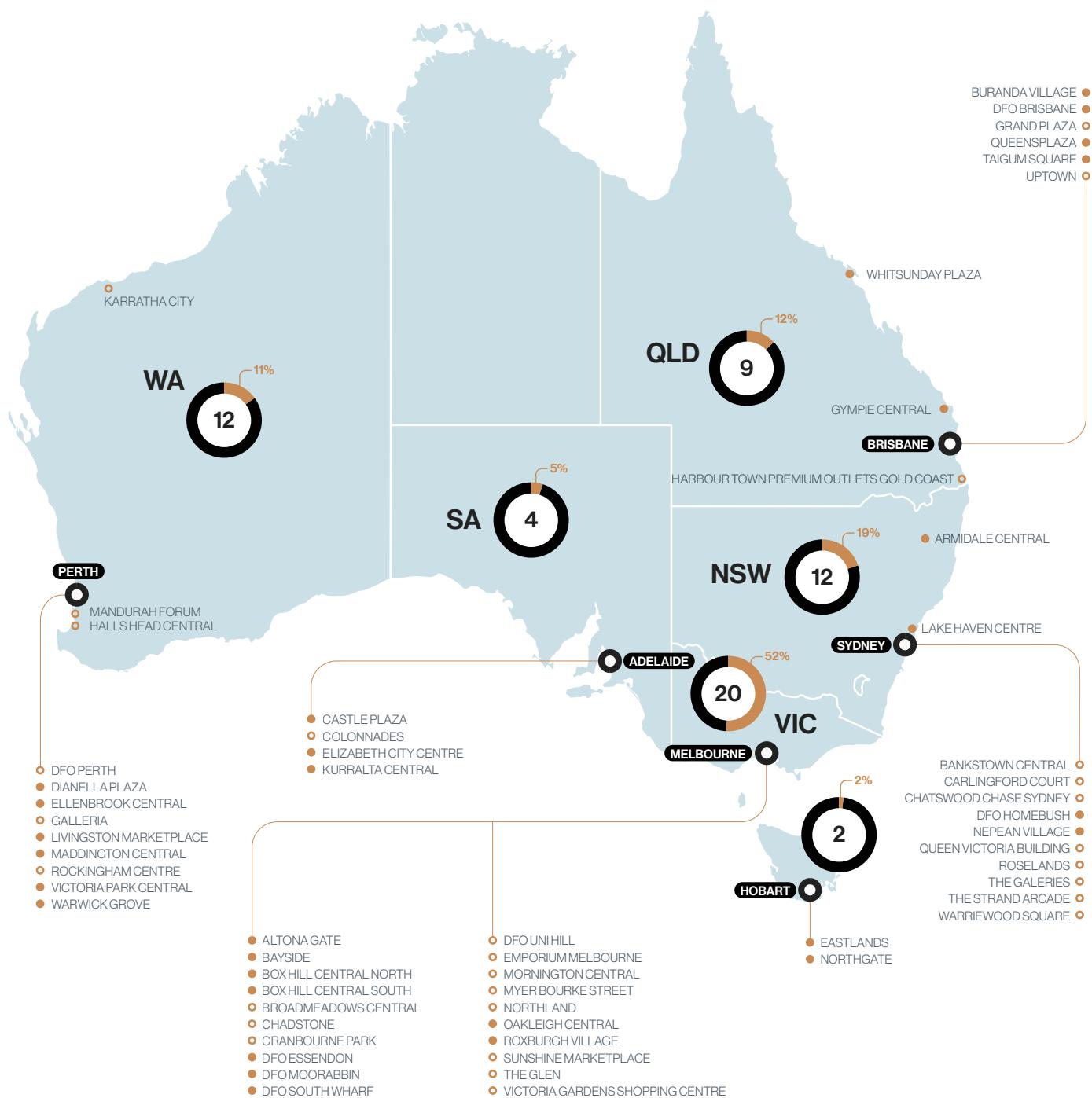
1. Includes Midland Gate, WA, which Vicinity manages on behalf of fund management clients.



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## OUR DIRECT PORTFOLIO AS AT 30 JUNE 2023<sup>1</sup>



### NOTE:

Totals may not sum due to rounding

● Wholly-owned

○ Jointly-owned

○ Number of shopping centres

% Portfolio value (%)

1. Vicinity's directly-owned portfolio (Direct Portfolio).

# How we create value

Our capital

Our strategy to create value



OUR INVESTORS



OUR PROPERTIES



OUR CUSTOMERS



OUR PEOPLE



OUR PARTNERSHIPS



OUR ENVIRONMENT





## Value creation outcomes

## Value drivers

## More information

### Sustained value growth

Delivering resilient earnings growth and returns on invested equity and debt capital through cycles

- Total return
- Funds from operations
- Distribution per security
- Strong balance sheet



[FINANCIAL PERFORMANCE – PAGE 11](#)



[STAKEHOLDER ENGAGEMENT – PAGE 18](#)

### Vibrant place making

Retail and mixed-use precincts are destinations of choice for shoppers, retailers, suburban office workers and surrounding communities

- Owning the right assets in strategically important locations
- Active curation of asset portfolio
- Pipeline of value enhancing retail and mixed-use development projects
- Investment in ambience, retail mix and mall finishes



[PORTFOLIO PERFORMANCE – PAGE 10](#)



[OUR DESTINATIONS – PAGE 20](#)

### Winning with our customers

Retailers and shoppers choose Vicinity destinations every time

- Customer experience – Net Promoter Score
- Tenant satisfaction
- Visitation and retail sales growth
- High levels of occupancy
- Appropriate occupancy cost ratio



[PORTFOLIO PERFORMANCE – PAGE 10](#)



[OUR DESTINATIONS – PAGE 20](#)



[STAKEHOLDER ENGAGEMENT – PAGE 18](#)

### Thriving workplace for everyone

A high-performance culture where organisational values and ways of working are an enabler of strong performance and promote a thriving, safe work environment for everyone

- Employee engagement
- Continued improvement in diversity, inclusion and belonging
- High health, safety and wellbeing standards
- Strong alignment between performance, recognition, opportunity and reward



[OUR PEOPLE – PAGE 14](#)



[OUR COMMUNITIES – PAGE 16](#)



[STAKEHOLDER ENGAGEMENT – PAGE 18](#)



[SUSTAINABILITY REPORTING](#)

### Prospering partnerships

Partnerships with joint venture partners, suppliers and communities are underpinned by long term, mutual value creation

- Third party funds under management
- Supply chain governance
- Community engagement and contribution
- Considered stakeholder engagement



[OUR COMMUNITIES – PAGE 16](#)



[STAKEHOLDER ENGAGEMENT – PAGE 18](#)



[SUSTAINABILITY REPORTING](#)

### Resilient portfolio and purposeful ESG

Delivering positive environmental outcomes enabled by resource efficiency and operational effectiveness

- Net Zero by 2030
- Energy, waste and water efficiency
- Highly ranked by Australian and global benchmarking
- Pragmatic deployment of capital to sustainability initiatives



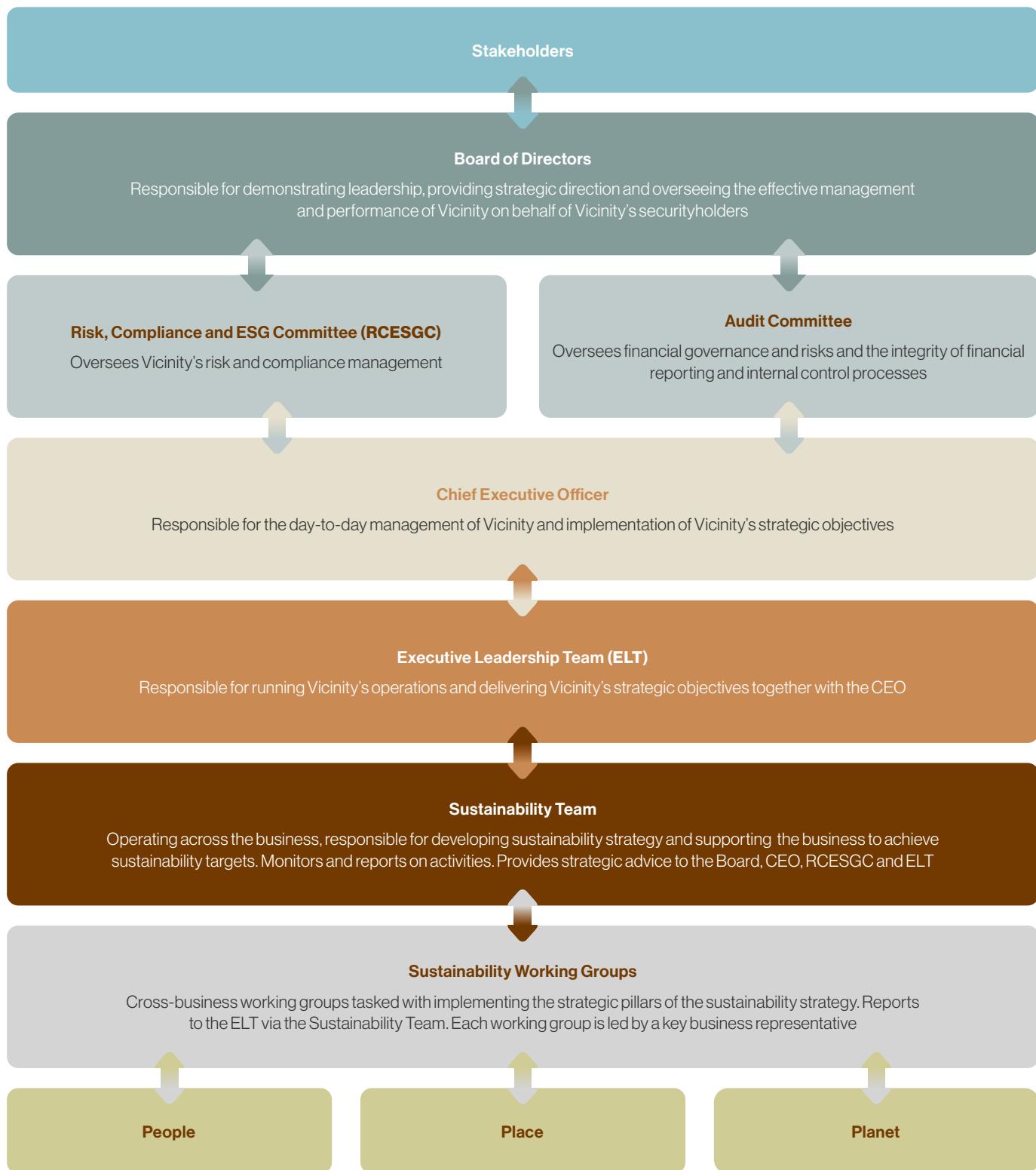
[NET ZERO – PAGE 24](#)



[SUSTAINABILITY REPORTING](#)

# Governance and Reporting

## GOVERNANCE STRUCTURE



Further information can be found in our 2023 Annual Report and our 2023 Corporate Governance Statement which can be accessed on our website.



## REPORTING AND TRANSPARENCY

We communicate our sustainability approach and performance through direct engagement with our investors and strategic partners, and more broadly through participation in global investor surveys. In FY23, we continued to participate in the DJSI and GRESB.

**Member of  
Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA



**99%**

of employees trained in policies related to Vicinity's Code of Conduct (ELT:100%)



CORPORATE GOVERNANCE

## ETHICS AND RISK MANAGEMENT

Vicinity's Code of Conduct Policy (the **Code**) outlines the ethical business behaviours expected from our Directors, the ELT, employees, and contractors.

Underpinning the Code is a suite of policies that include anti-bribery and corruption; fraud; money laundering; conflicts of interest; privacy; bullying and harassment; whistleblowing; and risk management.

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

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

Vicinity maintains a robust risk management framework which helps us identify, document, assess and manage material risks and opportunities. We adopt a structured and comprehensive approach to managing financial and non-financial risk which extends to corporate governance and compliance risk.

Vicinity engages with Local, State and Federal Governments through direct communication, industry group participation and submissions. Vicinity does not make political donations at any level of government, including during FY23, in accordance with the Code and our Anti-Bribery and Corruption Policy, which can be found in the Corporate Governance section on our website.

## TECHNOLOGY, DATA, ANALYTICS AND CYBER SECURITY

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

Underpinning our intelligence platform is a robust data governance and cyber security model, which provides effective controls and sets out principles for the collection, use, deletion, and protection of data. The platform is designed to deliver business growth whilst protecting our stakeholders. We take the privacy and security of our customer and employee data very seriously and we continuously invest in process capabilities and advanced technology to ensure Vicinity remains a secure and resilient organisation.

In July 2023, our Cyber and Information Security team sought ISO 27001: Information Security Management Systems certification, which will demonstrate that Vicinity has a mature and robust framework to manage information security risk.

The benefits of the management system include:

- **Risk Reduction** – a demonstrated, robust, systematic process for identifying, assessing, mitigating, and monitoring information security risk.
- **Cost Savings** – reduction of financial risk that is associated with data breaches, as well as strengthening stakeholder relationships (retailer/consumers/suppliers who expect strong security practices).
- **Building Trust** – demonstrates Vicinity's maturity in cyber and data governance practices.
- **Reducing Impact** – reduces risk of non-compliance with regulatory requirements.



## Governance and Reporting (continued)

### UNDERSTANDING OUR CUSTOMERS' NEEDS

Data and insights inform how we approach our developments and their alignment to government town planning and population growth, and how we consider community impact and engagement. It also helps create opportunities for us to identify operational efficiencies across our centres.

Our bespoke consumer research platform, Vicinity Voice, has successfully delivered more than 30 consumer research projects since its launch in 2022, benefitting a cross section of teams across the organisation. Vicinity Voice enables us to expand the reach of our research in a cost-effective way, allowing us to conduct more and more frequent research, and reduces the requirement to engage external service providers.

Some key projects run through the platform have explored drivers and barriers for consumers visiting Australian CBDs, expectations around late night trade, what matters most when it comes to carparking, and a comprehensive review of the overall customer experience when visiting our centres. We have also utilised this platform to gain a deeper understanding of consumers' views on liveability and sustainability as they pertain to our assets – with safety, a well-maintained environment and a sense of security being the top priorities across the portfolio.

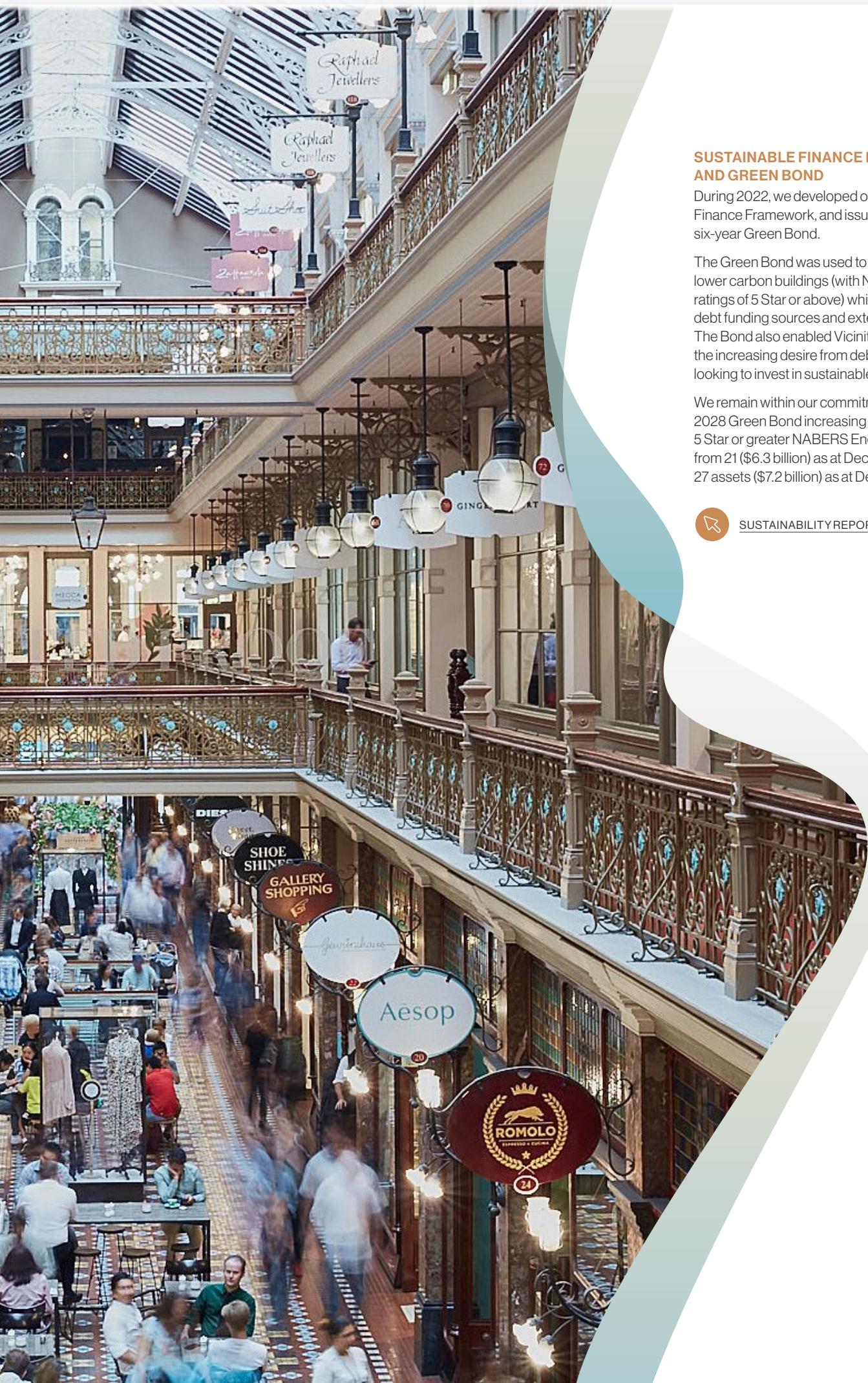
Our most recent (October 2022) deep-dive into consumer advocacy demonstrated that amongst our engaged consumers, Net Promoter Score (**NPS**) was very healthy at +38 which remains above pre-COVID levels. We will measure this again in late 2023.

Amongst our retailers, our 2023 Tenant Satisfaction score has largely remained stable at +20. However, it was clear that in FY23, REITs have focused on improving tenant satisfaction, as the overall industry average increased significantly, meaning that Vicinity has now fallen below the industry average. One of the key priorities for the business in FY24 (Project Optimus) seeks to improve tenant satisfaction by streamlining the leasing process – a clear pain point for our retailers.

In the coming year we are integrating the NPS process into our Vicinity Voice Platform, which will provide our teams with much greater access to customised consumer insights to better inform decision making.



The Strand Arcade, NSW



## SUSTAINABLE FINANCE FRAMEWORK AND GREEN BOND

During 2022, we developed our Sustainable Finance Framework, and issued a \$300 million six-year Green Bond.

The Green Bond was used to refinance our lower carbon buildings (with NABERS Energy ratings of 5 Star or above) while diversifying our debt funding sources and extending our tenor. The Bond also enabled Vicinity to help address the increasing desire from debt investors looking to invest in sustainable debt products.

We remain within our commitments for our 2028 Green Bond increasing the number of 5 Star or greater NABERS Energy rated assets from 21 (\$6.3 billion) as at December 2021 to 27 assets (\$7.2 billion) as at December 2022.



[SUSTAINABILITY REPORTING](#)

# Materiality

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

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

An external assessment of materiality was undertaken during FY22 to consider material economic, environmental, and social matters and to update our understanding and evolving expectations of Vicinity.

This process involved engaging with a range of internal and external stakeholders, through the process outlined on page 17. Vicinity will undertake another external materiality analysis during FY24, to recalibrate itself against the evolving risks and opportunities in the sustainability landscape.

In June 2023, the International Sustainability Standards Board (**ISSB**) released the first two standards for sustainability disclosures, designed to create a global standard for investor focused sustainability reporting. In anticipation of the requirement for Vicinity to report against these standards from FY25, Vicinity commenced a review and readiness assessment against these standards and to prepare for increased integration of the sustainability and annual reports for FY24.

Vicinity currently reports annually against the NGERS<sup>1</sup> compliance reporting framework and publishes a TCFD statement annually, which places the business in a good position to disclose against the ISSB IFRS 1 and IFRS 2 standards.

## STAKEHOLDER MATERIALITY MATRIX



### STEP ONE

#### **Identify and benchmark**

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



### STEP TWO

#### **Stakeholder engagement**

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



### STEP THREE

#### **Analysis and validation**

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

VICINITY HAS COMMENCED A REVIEW  
AND READINESS ASSESSMENT AHEAD  
OF REPORTING AGAINST THE

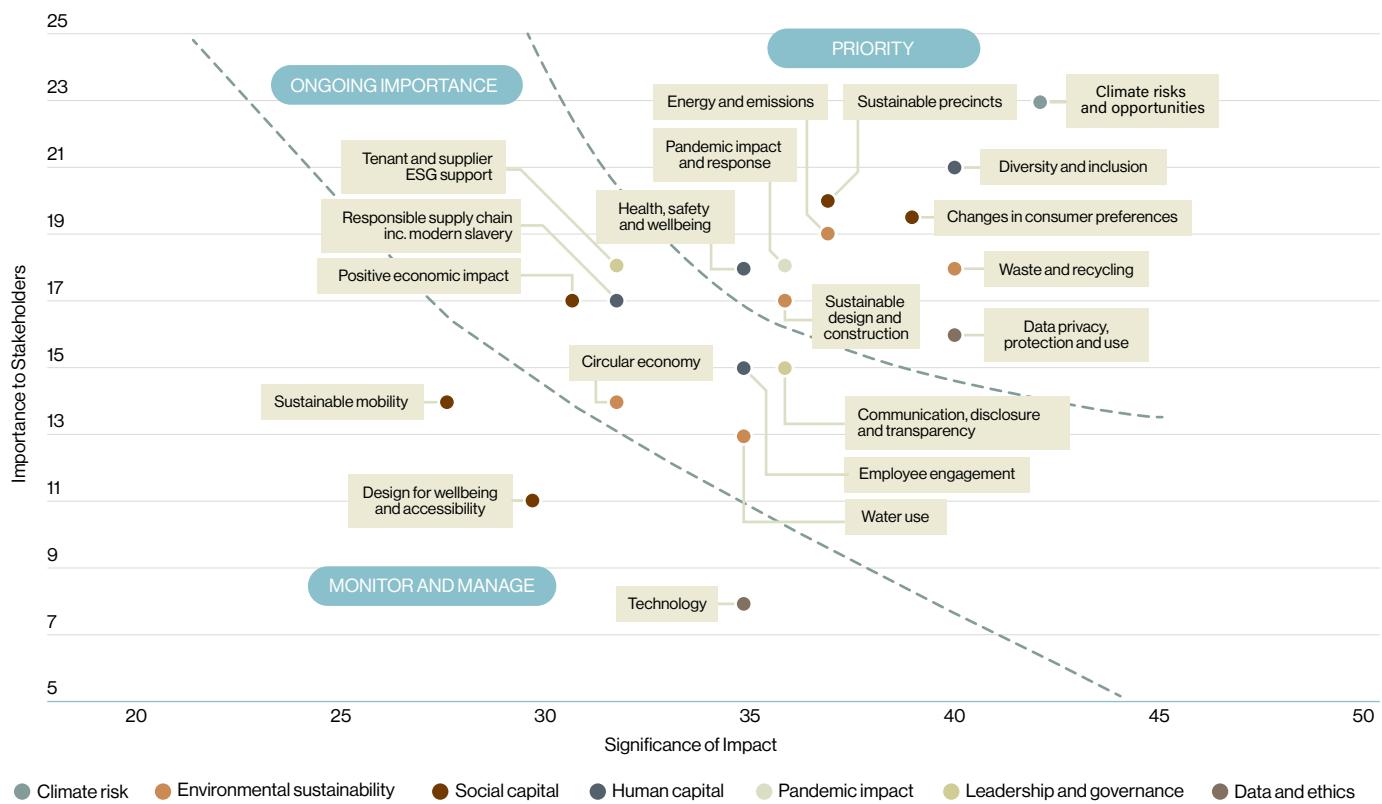
**ISSB IFRS 1 and IFRS 2  
standards in FY25**

1. National Greenhouse and Energy Reporting Scheme.



## MATERIAL SUSTAINABILITY THEMES

Through our detailed materiality assessment, we identified the ESG topics of most concern or interest to Vicinity's stakeholders to be: our response to risks and opportunities arising from climate change adaptation and mitigation, diversity and inclusion, and responding to changing retail market conditions, trends and consumer preferences.



The scoring method to determine material issues and their prioritisation was generated throughout the materiality process. Each material theme is ranked according to 'Importance to Stakeholders' and 'Significance of Impact' with scoring provided to each topic based on an agreed upon criteria. This included mentions from research, peer benchmarking, investor feedback, internal stakeholder interviews, ELT stakeholder interviews, as well as questions derived from GRI materiality tests.



## Materiality (continued)

### MATERIALITY AND THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS ALIGNMENT

Vicinity's identified material issues were considered through an extensive peer review and stakeholder engagement process. Where possible, key United Nations Sustainable Development Goals (**SDGs**)<sup>1</sup> were provided for material topics as a way to align our efforts to contribute to global sustainable development. Leveraging these SDGs allows us to demonstrate our awareness of economic, environmental and social impacts, and frame the communication of our sustainability journey.

Thematic area	SDG Alignment	Material topic	Description
Climate risk	 <b>SDG 9:</b> Industry, innovation and infrastructure	Climate risks and opportunities	Understanding and managing the potential risks and opportunities related to climate change across Vicinity's value chain, including both physical and transition risks of climate change.
	 <b>SDG 11:</b> Sustainable cities and communities		1. Physical: resilience of centres and infrastructure to physical risks of climate change, both acute and chronic, and supporting customers and communities to be resilient to climate impacts. Opportunity for centres to act as a refuge during extreme weather events.
	 <b>SDG 13:</b> Climate action		2. Transition: addressing risks associated with the transition to a lower carbon economy, including significant changes in the local economic environment/retail catchments, and policy, technology, and market risks and opportunities. Transparent disclosure of climate-related financial impacts in line with the TCFD recommendations.
Environmental sustainability	 <b>SDG 12:</b> Responsible consumption and production	Energy and emissions	Reducing core operations emissions (Scope 1, Scope 2 and Scope 3) through energy management and efficiency initiatives, uptake of renewable energy across centres and the use of clean technologies (including solar and battery storage). Benefits and opportunities for flow on effects to tenant/retailer emission reduction.
	 <b>SDG 12:</b> Responsible consumption and production	Water use	Minimising use of potable water through effective water management, water efficiency enhancements and implementing design features for collecting and reusing water.
	 <b>SDG 12:</b> Responsible consumption and production	Waste and recycling	Reducing natural resource consumption through minimising waste, recycling and reuse. Opportunities to provide consumer/community education on waste disposal and recycling and supporting retailers to reduce their waste and recycle appropriately.
	 <b>SDG 12:</b> Responsible consumption and production	Circular economy	Supporting a cyclical business model for the use of goods, including reusing and recycling existing materials and products into new products. Incorporating circular economy principles into the building design and construction process. Providing cyclical recycling receptacles. Using non-virgin resources wherever possible in development and day-to-day running of centres.
	 <b>SDG 9:</b> Industry, innovation and Infrastructure	Sustainable design and construction	Supporting the use of low emissions, low impact technologies in building and construction, and implementing circular economy principles in centres and in building design. Minimising impacts on the natural environment and ecosystems, preserving biodiversity and natural habitats where possible. Incorporating nature and green spaces into building design.
	 <b>SDG 12:</b> Responsible consumption and production		
	 <b>SDG 17:</b> Partnerships for the goals		

1. Refer to [sdgs.un.org](http://sdgs.un.org) for more information.



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

## Materiality (continued)

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

# Engaging With Our Stakeholders

Vicinity participates in a number of multi-stakeholder initiatives throughout the year.

These include collaborating with our peers through our participation in the United Nations Global Compact and the Property Council of Australia's (**PCA**) National Sustainability Roundtable, Social Sustainability Roundtable and other PCA working groups, and providing guidance on Green Star expert reference panels in conjunction with the Green Building Council of Australia.

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

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

<b>Consumers and local communities</b>	<b>Suppliers and contractors</b>	<b>Retailers</b>
<b>How we engage</b> <ul style="list-style-type: none"> <li>Through centre management offices and customer services desks</li> <li>Direct engagement (through focus groups, one-on-one interviews) and third party research organisations</li> <li>Social media and centre websites</li> <li>Community engagement in development projects</li> <li>Community engagement at our centres</li> </ul>	<b>Suppliers and contractors</b> <ul style="list-style-type: none"> <li>Managing contracts and performance at national and centre level through our supplier relationship framework</li> <li>Development project control group meetings for approved development projects</li> <li>One-on-one meetings</li> </ul>	<b>Retailers</b> <ul style="list-style-type: none"> <li>Initially through national and centre leasing teams</li> <li>Ongoing engagement with centre management teams</li> <li>Strategic meetings with key members of the senior leadership team</li> </ul>
<b>Material interests</b> <ul style="list-style-type: none"> <li>Providing convenient and engaging shopping experiences</li> <li>Appropriate tenant mix to service consumers' wants and needs</li> <li>Facilitating human connections</li> <li>Supporting local communities through targeted community investment</li> </ul>	<ul style="list-style-type: none"> <li>Building collaborative and mutually beneficial partnerships</li> <li>Embracing innovation to meet operational and sustainability objectives</li> <li>Enhancement of approach to identifying and addressing modern slavery issues within the supply chain</li> <li>Active management of resource and capacity planning to provide maximum flexibility within the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing tenant engagement and retention</li> <li>Data and insights into consumers</li> <li>Strong engagement with centre management</li> <li>Access to marketing and other services to help retailers succeed</li> </ul>
<b>Our response</b> <ul style="list-style-type: none"> <li>Understand our consumers' wants, needs and behaviours to provide enriching community experiences and engaging market leading destinations</li> <li>Learn more about our approach in Creating Community Hubs (page 24)</li> </ul>	<ul style="list-style-type: none"> <li>Create long-term relationships with a view to making a positive impact on our communities and the environment</li> <li>Learn more about our approach in Our Suppliers (page 20)</li> </ul>	<ul style="list-style-type: none"> <li>Partner with our retailers to understand how we can support the success of their retail operations</li> <li>Learn more about our approach in Promoting Sustainability with Our Retailers (page 39)</li> </ul>

## Engaging With Our Stakeholders (continued)

Strategic partners	Securityholders	Our people
<p><b>How we engage</b></p> <ul style="list-style-type: none"> <li>Annual JV partner survey</li> <li>Quarterly property performance review meetings; annual budget and Vision Strategy Action meetings</li> <li>Six-weekly development update meetings; Project Control Group meetings for approved development projects</li> <li>Monthly and quarterly reports on our sustainability policies, practices and performance</li> <li>Site visits and one-on-one meetings</li> <li>Sustainability Report</li> <li>Materiality reviews conducted every two years</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report and Corporate Governance Statement</li> <li>Sustainability Report</li> <li>Annual and half yearly results briefings</li> <li>ASX announcements</li> <li>Investors website page</li> <li>Direct email communications</li> <li>Meetings with major institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>Town Halls</li> <li>Senior leadership forums</li> <li>Annual employee engagement and pulse surveys, which include diversity and inclusion questions</li> <li>Workplace Psychological Safety Index (<b>WPSI</b>) survey and focus groups</li> <li>Regular updates on the Intranet</li> <li>Performance reviews and development plan meetings with People Leaders</li> </ul>
<p><b>Material interests</b></p> <ul style="list-style-type: none"> <li>Deliver stable and growing returns</li> <li>Creation of community hubs and experiences that respond to changing consumer trends and supporting retailers to succeed</li> <li>Alignment in strategy, objectives and transparency in reporting</li> <li>Delivering on investment objectives</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining a strong financial position</li> <li>Strengthening portfolio composition</li> <li>Creation of community hubs and experiences that respond to changing consumer trends as well as supporting retailers to succeed</li> <li>Disciplined delivery of our development pipeline</li> <li>Maintaining a strong reputation through regular and transparent disclosure</li> <li>Managing ESG-related risks and opportunities such as climate change, modern slavery, data privacy and cyber security</li> </ul>	<ul style="list-style-type: none"> <li>A sense of belonging at Vicinity</li> <li>Learning and career development opportunities to perform in existing and future roles</li> <li>Flexibility to balance professional and personal needs to ensure health and wellbeing</li> <li>Timely and transparent communication in relation to Vicinity's strategy and goals</li> </ul>
<p><b>Our response</b></p> <p>Ensuring stable and growing returns through successful asset management and development project delivery</p> <p>Learn more about our approach in Governance and Reporting (page 8)</p>	<p>Providing regular and transparent disclosure on our risks, opportunities, performance and achievements</p> <p>Learn more about our approach in our 2023 Annual Report and Reporting and Transparency (page 9)</p>	<p>Creating a diverse and inclusive workplace, ensuring our people have the tools and resources to balance life and work commitments, and enabling them to develop meaningful careers</p> <p>Learn more about our approach in Focus on our People (page 29)</p>



Government and regulators	Industry groups	Community groups
<p><b>How we engage</b></p> <ul style="list-style-type: none"> <li>• Compliance reporting</li> <li>• Site visits</li> <li>• One-on-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Active participation in industry working groups and roundtables</li> <li>• One-on-one meetings</li> <li>• Participation in annual sustainability assessments</li> </ul>	<ul style="list-style-type: none"> <li>• National and local partnerships and sponsorships</li> <li>• Regular liaison through centre management and corporate teams</li> </ul>
<p><b>Material interests</b></p> <ul style="list-style-type: none"> <li>• Proactive and transparent communication with Local, State and Federal Governments</li> <li>• Collaborative partnerships that support local jobs and economic development</li> <li>• Providing a safe environment for customers and communities</li> </ul>	<ul style="list-style-type: none"> <li>• Creating engaging experiences and community hubs to support local communities</li> <li>• Responding to industry-wide issues such as modern slavery risks</li> <li>• Understanding commercial realities of industry issues</li> <li>• Improving sustainability performance, particularly in relation to climate change risks and opportunities, and waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting local communities and providing jobs directly and indirectly through partnerships</li> <li>• Centres acting as a place of interaction that can offer an opportunity to build social connections</li> <li>• Direct and in-kind contributions to address community issues</li> </ul>
<p><b>Our response</b></p> <p>Engage with government and regulators in an open, transparent and constructive manner. At a local level, we partner with councils to address economic and social issues in our communities</p> <p>Learn more about our approach in Our Communities (page 23)</p>	<p>Engage with industry groups to learn, share our experiences and find collaborative solutions to issues impacting the industry</p>	<p>Shape better communities through our strategic community investment program which focuses on addressing youth disengagement and unemployment</p> <p>Learn more about our approach in Our Communities (page 23)</p>



# Supply Chain

## PROCUREMENT

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

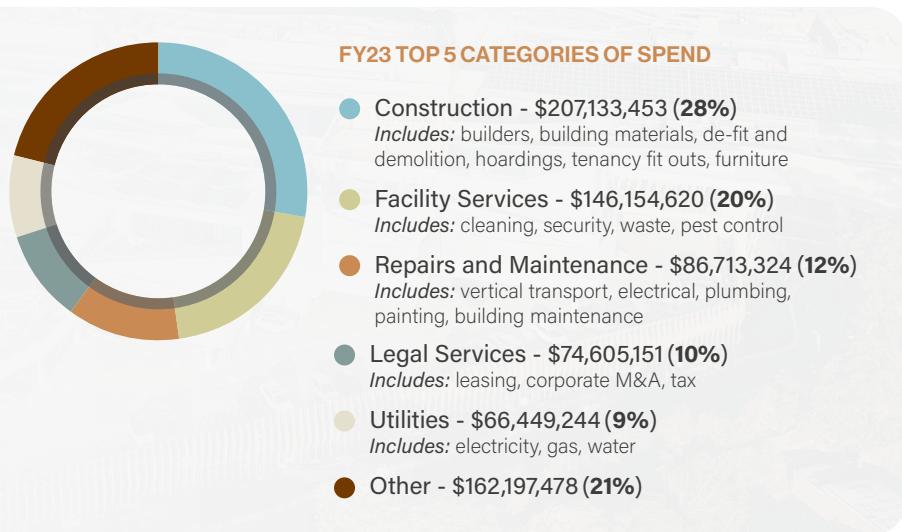
### INDIGENOUS PROCUREMENT

To encourage progress on reconciliation matters, we request reconciliation disclosures in our tender pre-qualification questionnaire to provide our suppliers with the opportunity to share details about their reconciliation actions, including employment initiatives, procurement strategies and other relevant activities.

We set a target of indigenous procurement spend of \$6 million between FY22 to FY27. Continuing our work with the Supply Nation platform, this year we procured \$5,402,834 of spend through indigenous businesses. This, combined with spend in FY22, has meant that we have exceeded our cumulative target four years early.

Of the \$5.4m spend, our top three spend categories were:

- Fire Services (servicing our centres fire equipment) - **\$4,523,774**
- Electrical Services - **\$295,847**
- Office Equipment - **\$168,493**



## SOCIAL PROCUREMENT

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

In FY23, we spent \$579,000 with social enterprises across our managed portfolio and became a member of Social Traders – a social enterprise procurement platform. Utilising such organisations to meet our procurement needs helps to create positive social and economic change for those who are often marginalised or disadvantaged in our communities.

## OUR SUPPLIERS

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

During FY23, we engaged 1,811 Tier 1 (direct) suppliers to provide goods and services for our business, with an annual spend of \$743 million distributed across our operations, developments and refurbishments activity and our corporate offices.

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

## LOCATIONS OF OUR TIER 1 SUPPLIERS

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



## SUPPLIER DUE DILIGENCE

We evaluate our suppliers' performance and adherence to laws and regulations through our Supplier Questionnaire. The questionnaire also includes details on the suppliers' management of risks and impacts related to the products or services they provide.

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

These requirements were also integrated into contracts established with new and existing suppliers, for contracts with elevated risk of labour exploitation, during FY23. We will be reviewing these requirements in FY24 as part of our cleaning and security tender processes.

We actively monitor our suppliers' compliance with contractual obligations through regular contract management meetings. We engage suppliers at both operational and strategic levels to discuss objectives, key performance metrics, compliance, and improvement opportunities.

Annually, we have an independent compliance assessment undertaken across our cleaning and security contractors on a rotating basis. The audit findings to date have demonstrated compliance with the Cleaning Award and the Security Award (as applicable) with no remedial action required.

In addition to routine audits, we conduct random spot checks on our cleaning and security service providers to check for compliance related to attendance, subcontracting and to ensure all staff have relevant qualifications (e.g., security licences). Eight spot checks were completed in FY23 to supplement the independent audit program. The spot checks did not identify any issues; however, there remains an ongoing focus on sign-in and sign-out processes to facilitate compliance and reporting processes.

## ADDRESSING MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

As a reporting entity under the Modern Slavery Act, our 2023 Modern Slavery Statement, to be published later in 2023, will outline the continued actions undertaken by our business during the FY23 reporting period to assess and address any identified modern slavery risks.

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

Our Modern Slavery Working Group met quarterly throughout FY23 to drive action across our operations and supply chain to increase our understanding of modern slavery risks, their likelihood, and how we can best address them.

We have continued to implement our Responsible Procurement Action Plan and our supply chain due diligence activities, with a focus on modern slavery. All team members continue to receive modern slavery awareness training, which also includes understanding the process by which our people can report suspected modern slavery.

**99%**

of team members completed training in modern slavery risks in FY23



# People



SEDA Group national camp

## OUR FOCUS IN FY23

We continue to build strong connections between our centres and local communities.

Together, with our ~1,300 team members, we aim to shape better communities, enhance local connections and deliver positive social outcomes.

We achieve this through the delivery of three key objectives:

- Establish a long-term community investment program that focuses on local issues and delivers measurable value to our communities
- Create capacity and resilience for our people and our communities to thrive
- Curate community experiences that connect people, place and planet

## OUR FUTURE FOCUS

- We have engaged the Centre for Social Impact to facilitate a partnership framework with SEDA Group and Bridging the Gap Foundation. This includes shared objectives, expectations, activities and measurement of outcomes
- Progress and achieve RAP deliverables as outlined in our Second Innovate RAP
- Progress towards our 40:40:20 gender target
- Target 100% of Category A (high risk) suppliers assessed for modern slavery risks

## INVESTING IN OUR COMMUNITIES AND OUR COMMUNITY CONTRIBUTION

Our centres across the country are passionate about making a difference within their local communities. Our community investment program, which includes youth engagement opportunities and supporting other community initiatives in centre, is focused on our role in building stronger and more resilient communities, as well as safe, inclusive and accessible spaces within our precincts.

Our community investment program is rolled out across the portfolio to ensure our centres have a consistent framework, while also giving the flexibility to identify relevant local partnerships as part of each centre's community investment plan. These are reviewed on an annual basis as part of the centre's Vision Strategy Action process.

Our centres support, promote and participate in local events, make financial contributions, provide in-kind goods, services and mall space for fundraising, and leverage consumers and retailers to make community initiatives more successful.

We benchmarked all of our community investment activities using the Business for Societal Impact (**B4SI**) Group framework. The B4SI Verification Statement can be accessed through the Sustainability Reporting page on our website. In FY23, our contributions increased to \$4.5 million (FY22: \$2.9 million).

### SUSTAINABILITY REPORTING

#### FY23 COMMUNITY INVESTMENT



#### CASE STUDY

### YOUth Matters at Grand Plaza, QLD

In partnership with yourtown, the YOUth Matters program is an interactive educational nine-week program that engages and supports disengaged young people who frequent Grand Plaza. In FY23 we have seen 20 youths complete the program with outcomes including re-engagement in school, gaining employment, starting driving lessons, and building resumes in preparation of job applications.

One participant, Josh, indicated he was interested in plumbing. With the help of our centre team, an interview was organised for him with the centre contractor and he is now preparing to start a school-based apprenticeship.

YOUth Matters at Grand Plaza makes a genuine difference to young people who are disengaged and at risk. The program provides skill development and facilitates employment pathways. In FY23, over 90% of participants have secured employment after graduating from the program.

#### Top 4 Focus areas:

• Social Welfare	(21%)
• Arts and Culture	(15%)
• Education and Employment (Youth 13-25)	(8%)
• Children's Education and Programs	(6%)

## People (continued)

### CREATING COMMUNITY HUBS

Creating safe, accessible and inclusive precincts is a key part of our strategy to further build strong connections with our local communities.

Our centre management teams are our frontline for direct engagement with consumers, retailers and community partners. Through constant communication they facilitate great in-centre experiences, keep abreast of local issues and garner feedback on the needs of our communities. We are proud to provide access to spaces for local fundraising and community programs – connecting customers to local community initiatives. Our centre teams also provide valuable insight in the assessment of applications for our Community Grants program.

Through understanding the needs and wants of our customers we strive to build unique experiences. We know by doing this, we can achieve both economic and social benefits.

We tailor the shopping experience based on our local community needs across our retailer mix, entertainment and dining offerings. Our diversified retailer mix also supports health and wellbeing through the provision of gyms, medical centres, insurance companies/offices and community services providers.

Accessibility and inclusion are high priorities across the portfolio with the provision of disabled parking, changing places high care facilities, wheelchair access ramps, high tables in food courts for wheelchair access, and wheelchairs for use within the centre.

### COMMUNITY PARTNERSHIPS

Vicinity has developed a Strategic Partnership Framework to identify collaboration opportunities, establish governance processes, and ensure alignment between stakeholders that strengthen the outcomes of our future strategic community partnerships.

### Bridging the Gap Foundation and SEDA Group

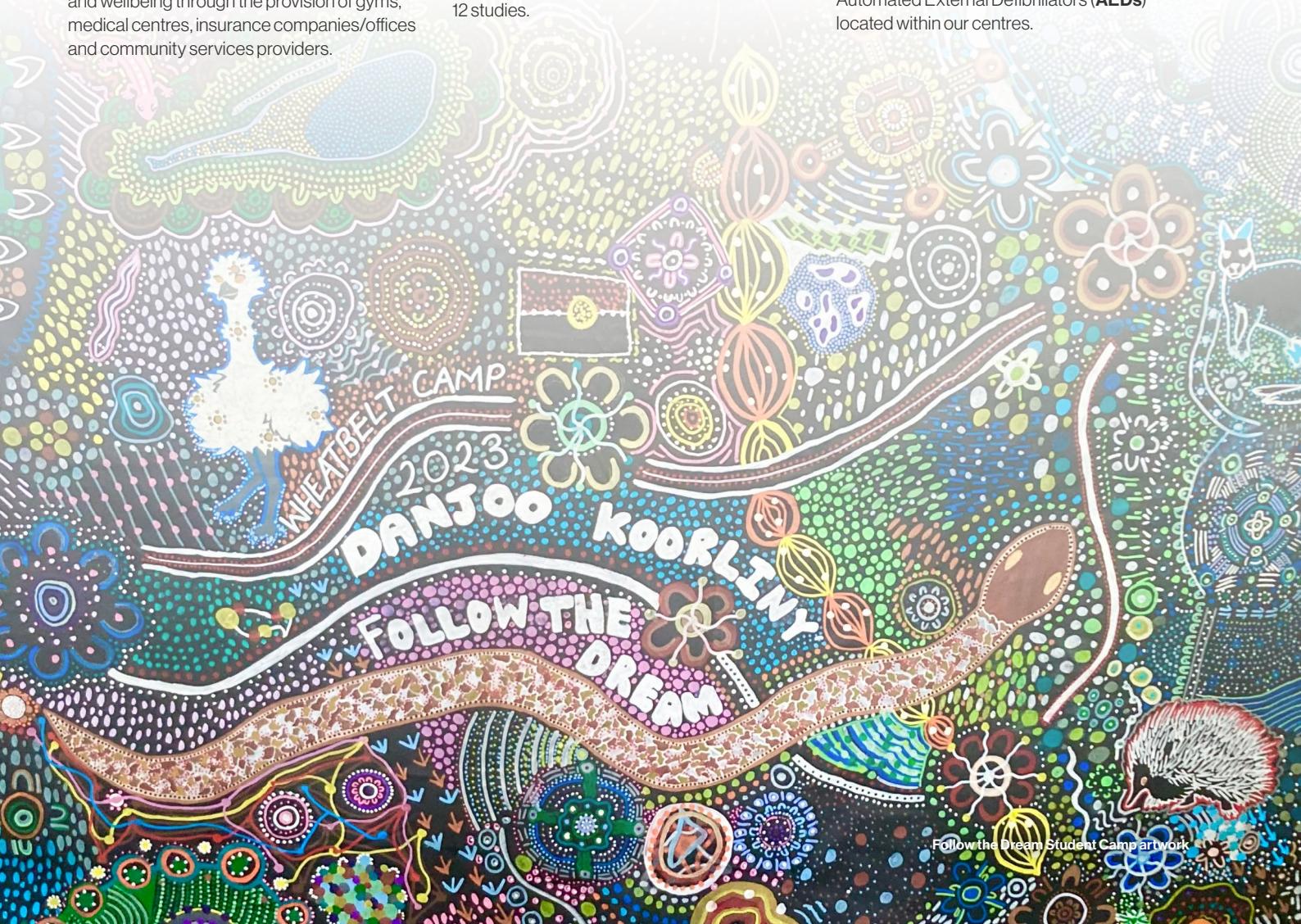
Over the past 12 months, Vicinity has collaborated with Bridging the Gap Foundation and SEDA Group, an independent secondary college and a supporter of educational support programs for Aboriginal and Torres Strait Islander students, to raise funds for new Indigenous scholarships at 11 centres across Australia. In FY23, seven new Indigenous scholarships were awarded to SEDA students, providing support to facilitate completion of their Year 12 studies.

### Follow the Dream Student Camp and Polly Farmer Foundation

In April 2023, Vicinity sponsored the annual Follow the Dream Student Camp, where a group of young Aboriginal leaders attended a four-day cultural development program connecting themselves to Country and to further develop their cultural identity, learning from well-respected Whadjuk Noongar Elder, Dr Noel Nannup. The students had an opportunity to learn language, dance, and Dreamtime stories. Vicinity was honoured to support this important activity and attend a special assembly to acknowledge NAIDOC Week celebrations. During morning tea, the students unveiled and presented Vicinity with a magnificent piece of art to celebrate the Follow the Dream program, which is now on display in our WA state office.

### Heart of the Nation App

Our centres are important community hubs and we're committed to making them safer places for our communities to connect. We are proud to have signed up with Heart of the Nation App. The App guides first responders in emergencies to nearby Automated External Defibrillators (**AEDs**) located within our centres.



Follow the Dream Student Camp artwork



### CASE STUDY

## Northland pilot partnership – ‘More Smiles, Less Waste’

Our Northland centre joined forces with Moose Toys and Circonomy to launch a new program to combat the 27 million toys that are discarded in Australia each year<sup>1</sup>, ending up in landfill. The community were able to drop off their new, old, and broken toys at a custom collection station at the centre where they were then either rehomed, repaired or recycled.

During the one-month pilot, almost 4,000 toys were collected weighing just over 715 kgs. 71 of these toys were recycled and 3,883 donated to the West Welcome Wagon and the Big Hug Group to be distributed to families in need.

Northland has now created an ongoing partnership with Big Hug Group to distribute all lost property to support challenged families in the local community and we are looking to expand this partnership across Victoria in 2024.

### COMMUNITY GRANTS

During April 2023, we piloted the Vicinity Community Grants program. Community organisations operating in the catchments of four of our centres (Bankstown Central, NSW, Elizabeth City Centre, SA, Karratha City, WA, and The Glen, VIC) were invited to submit applications to assist in the funding of programs that focused on one of four key areas: community wellbeing, youth engagement/employment, environmental rejuvenation, and education.

16 organisations shared in a grants pool of \$54,000 and are now in the process of delivering their programs in conjunction with their local communities and our centres. We will track the outcomes through a review process. Successful recipients included: Chester Hill Neighbourhood Centre delivering a kitchen garden program for migrant women in Bankstown, NSW and Hopestreet facilitating a café and retail skills training program for disadvantaged youth in Elizabeth, SA.

The program is intended to run annually, and we will take learnings from the pilot in 2023 with a view to increasing the grant pool and geographic reach in 2024.

### VICINITY CARES

Our workplace giving and volunteering initiatives were consolidated into a new employee social impact program, Vicinity Cares, launched this year. Utilising the world class Benevity platform, Vicinity Cares enables our employees to make effective use of their two days of paid volunteer leave and donation-matching to the value of \$500, in a way that maximises their impact for the organisations that our people feel most connected to. As well as championing our Vicinity Cares partners, including Bridging the Gap Foundation, Very Special Kids, Variety and Big Group Hug, employees can also set up their own fundraisers for causes that are important to them.

Following its launch in April 2023, 72% of team members participated in the Vicinity Cares program including 60% donating to over 237 charitable organisations. Our team workplace giving total for FY23 of \$79,194 showed an 85% increase from FY22 and our volunteering rate in FY23 was double that of FY22.



Hopestreet retail skills training program

1. Toy recycling program to reduce plastics in landfill launched by Big W and TerraCycle - ABC News.

## People (continued)



### CASE STUDY

#### Volunteering

Giving back to the communities in which we operate is a key cornerstone of our social impact strategy at Vicinity. By offering our team members two paid days of volunteer leave per year as well as by promoting opportunities for volunteering through Vicinity Cares, we are increasing their opportunity to give back, either as individuals or as a team.

This year, 7.6% of our team used their volunteer leave. As individuals they coached the SA State Cricket team for players with an intellectual disability, engaged in volunteer firefighting, assisted weekly at parkrun Australia, participated on Children's Hospital Foundation Sapphire Committee and donated blood through Lifeblood.

We also had numerous teams work together in volunteer team days at many worthwhile organisations including Very Special Kids, Ronald McDonald House, Westgate Biodiversity, Foodbank, Ekka (Queensland Exhibition) and St Kilda Mums.



## CASE STUDY

### Australia's Biggest Morning Tea – Vicinity Cares

This year we ran our annual Australia's Biggest Morning Tea program through our Vicinity Cares program. Team members were able to attend a morning tea across state offices and centres to learn about the invaluable work undertaken by the Cancer Council, with the Chadstone event hosted by Vicinity's Disability & Access Employee Advocacy Group (**EAG**). Participants across the country could donate on the spot or easily through Vicinity Cares, with donations being matched automatically through Vicinity's dollar for dollar matching program.

Vicinity Cares is an important conduit for our EAGs to be able to create positive impact, with the Pride & Allies EAG utilising the platform for their fundraiser supporting Out For Australia in June 2023.

## ACTION TOWARDS RECONCILIATION

Our vision for reconciliation is for a future where we are actively contributing to the creation of positive change, respect, acknowledgement, and opportunities with Aboriginal and Torres Strait Islander people. Connection to Country and culture underpins all aspects of life for Aboriginal and Torres Strait Islander people and remains fundamental to identity, and way of life.

We understand our role as asset creators and owners is to build strong relationships with Aboriginal and Torres Strait Islander people and create places that acknowledge and recognise their link to Country. This was particularly evident during National Reconciliation Week with the 2023 theme 'Be a Voice for Generations' promoted in five languages across our national portfolio of centres.

In FY23, we continued our reconciliation journey into our third RAP (and second Innovate RAP). Our team members completed Reconciliation Australia's Workplace Barometer Survey in September 2022, establishing our baseline results which broadly align with results from other Early-Stage Workplaces.

In our third RAP, we have further committed to deepening relationships, increasing cultural awareness, and connecting Aboriginal and Torres Strait Islander peoples with employment and business opportunities across our organisation. In FY23, Vicinity's Indigenous procurement spend was \$5.4 million, exceeding the target set in our roadmap.

Our Innovate RAP is supported by our RAP Working Group to ensure a broad range of perspectives are considered when mapping out our reconciliation journey. In FY23, following the co-design workshop on the Galleria development, an Aboriginal Advisory Group was established in Western Australia, supported by Wonnill Partners, to facilitate Indigenous inclusion and the delivery of RAP commitments within the business.

We continue to receive cultural advisory services from Seona James, Director Indigenous Cultural Connections Pty Ltd. Our team members were strongly encouraged to self-educate on the topic of the Voice to Parliament with a comprehensive list of resources made available on our company intranet, as well as a Treaty Yarn and Voice Lunch and Learn sessions. We also had over 220 team members complete the online Cultural Competency training provided by Arrilla Consulting, which we will continue to encourage our teams to complete in FY24.

Our team members engaged with many cultural learning programs in FY23. One highlight was the Chatswood Chase Sydney, NSW team's Walk on Country in February 2023 at Berry Island Reserve in Sydney, joined by a number of external project consultants for the proposed Chatswood Chase Sydney development. The day was facilitated by Koori Kinnections who took the team on a walk of the island and provided insights and stories into the heritage of the Cammeraygal people. The next phase will be mapping out how learnings can be brought into the project design to acknowledge and connect with the history of the Traditional Owners and Country, as well as how we can continue to respectfully engage beyond the development.



Walk on Country at Berry Island Reserve, Sydney

## People (continued)



### CASE STUDY

#### Northland, VIC Indigenous Art Project

As part of our commitment to building community connections and recognising the rich history and culture in the Northland community, we were delighted to come together to officially unveil the finished product of our Indigenous art collaboration. The five artworks are now integrated throughout Northland as part of a permanent display that completes the ambience upgrades at the centre, creating a positive and welcoming atmosphere, while encouraging customers to learn more about the rich culture and history of the Wurundjeri people.

The project, which was two years in the making, was a true community collaboration, with Wurundjeri Elders, Aunty Julieanne and Aunty Gail, involved from the beginning, to understand the unique history and stories of the local area, which Northland's Art Consultant, Catherine Asquith, explained was essential to the commission of the art series.

A suite of works by Wiradjuri artist Karen Lee Mungarrja were selected by a diverse panel which included Aunty Julieanne and Aunty Gail, telling multi-layered stories that explore Aboriginal culture and the unique diversity of the Darebin community. The five pieces explore themes of individuality, community, sustainability, hope and understanding.

The launch brought together some of the key collaborators on the project, including artist Karen Lee Mungarrja, Catherine Asquith and key Vicinity team members, and included a Welcome to Country performed by Aunty Julieanne, traditional dancing by the Wurundjeri women's dance group, Djirri Djirri, and catering by Indigenous catering group, Mabu Mabu. As we continue our journey of reconciliation, we look forward to continuing to build relationships with Traditional Custodians and sharing these stories with our community.

## OUR PEOPLE

We recognise that leveraging the skills and diversity of our people to foster a high-performing, inclusive and safe culture is critical for our sustained success. Over the past 12 months, we continued to build on our inclusive culture through listening to our teams and implementing actions based on what they have told us.

We know that driving this cultural focus will help further create an environment for our people where they can thrive in an evolving customer landscape and create rewarding growth opportunities for our people, through bespoke learning and development programs, enabling them to succeed both professionally and personally.

### Our culture

We continued our focus on building leadership capability in FY23, to drive high-performing and inclusive culture and behaviours to meet our obligations to our stakeholders, particularly our people, and to adapt and respond to our changing external environment.

In February 2023, Vicinity's third full employee experience (**EX**) survey was conducted with 81% of team members completing the survey (+3% on 2022 EX participation rate). The overall engagement score was measured at 66%, a decrease of 2% on 2022 results. Comments increased by 25% this year, with 1,400+ comments provided. This trend reflects the continued work in driving authentic communication and enabling a strong feedback culture.

Following the appointment of our new CEO, Peter Huddle, our Culture Roadmap for FY24-FY26 was developed. The Culture Roadmap will further strengthen the alignment of leadership behaviours through an accelerated focus on performance, customer at the core, and creating an inclusive and safe environment.

The FY24-FY26 Culture Roadmap focuses on the enablers of an inclusive and high-performance culture, which includes:

- Developing leaders who take ownership and consistently demonstrate behaviours aligned with goals and disciplined performance,
- Building leadership capability and consistency with a focus at the ELT and Business Leadership Team (**BLT**) level in FY24,
- Driving diversity, inclusion and belonging through improved experiences broadly across the business, and
- Improving the capability of our leaders to manage the mental health and wellbeing of our people.

### Respect at work

Our FY23 investment in building inclusive leadership, fostering trust, removing barriers to inclusion and belonging, and encouraging authentic communication and leadership interactions, has ensured we have continued to make positive steps in response to the legislative changes following the Respect at Work national enquiry. These include a review and refresh of our Workplace Behaviour Policy setting out expected behavioural standards for all team members; mandatory eLearning training, Respect@Vicinity, to further embed these standards; face to face workshops at Board, ELT and BLT level; and focused in-person workshops with identified teams to facilitate increased awareness and understanding of behavioural expectations and standards where behaviour is currently below standard.

To share our learnings and support our broader industry maturity, our CEO presented a case study on our Respect@Vicinity program to the Property Council Champions of Change Coalition in May 2023. This Coalition is recognised for advancing gender equality and building respectful inclusive workplaces. We were able to share our response to date, the impact and results we had seen, our learnings, and next steps, including:

- Improved transparency, communication and reporting of negative behaviours from team members, driven by the heightened awareness and confidence.
- Increased requests by leaders and teams for support in managing behaviour in a psychologically safe way.
- Reinforcing the need to educate and support People Leaders to call out inappropriate behaviours and manage issues early, before they become larger problems.
- The need for multiple channels to report inappropriate behaviour, and that people in these reporting channels are appropriately trained and appropriately diverse.

Supporting our Respect@Vicinity program, we continue to embed and rollout our Inclusive Leadership training that focuses on further strengthening an inclusive, respectful and safe workplace.



## People (continued)



### **Building future talent and capability**

A critical element of our FY24-FY26 Culture Roadmap is our investment in building the talent and capabilities of our people, with a strong focus on leadership. In FY23 we refreshed our leadership development programs with our external partners LEDA and Peoplcoach, to enable people at all levels of leadership to build their capability as leaders within the business.

The effectiveness of our leadership programs continues to be measured through our learning surveys, allowing us to evolve and create future capability programs to meet the needs of our team members and aligned to our refreshed strategic priorities.

With a commitment to growing early talent, we have evolved our Graduate Program for FY24 and our new intake of graduates will work closely with a host business unit, while spending one month with one of our centres to truly immerse themselves in a core part of our business. Throughout the program, our graduates will be supported by senior mentors, ex-graduate buddies, and ongoing training to support them in their development towards becoming the future leaders of Vicinity.

We are also focused on promoting from within the business, to drive employee growth and engagement levels as well as retaining corporate intelligence. In FY23, we were able to fill 36% of available roles with internal candidates across all levels of our business. Our focus on a strong internal mobility plan continues to be critical to accelerate our employee growth and ensure we retain our talented people within the organisation.

### **Performance and reward**

Having employees aligned with company goals, coupled with the right capabilities and leadership skills, will help us achieve results and drive value for all stakeholders.

To ensure we are supporting our team members to thrive in their work, we conduct both formal and informal performance discussions throughout the year focused around achieving their goals, development opportunities and driving the right behaviours.

### **Gender pay gap**

Core to Vicinity's values is all employees being equitably remunerated for their abilities and contribution.

At the Group level, as measured using the Workplace Gender Equality Agency (**WGEA**) methodology, our organisation's Base Salary gender pay gap is 29.7% and the Total Target Remuneration (**TTR**) gender pay gap is 35.8%. The gender pay gap measures the difference between male and female average earnings across Vicinity, with all roles (except for the CEO) included. Factors impacting our gender pay gap include, but not limited to, are the under-representation of women at more senior levels, more women working casually and occupational segregation where women may be over-represented in support roles.

### **Industry gender pay gap**

The industry gender pay gap measures if a male and female are paid an equal amount when doing the same or comparable work within the same industry. As of 30 June 2023, Vicinity's remuneration for comparable roles between males and females within our industry (compa-ratio) is close to 1%.



### Diversity, inclusion and belonging

Diversity, Inclusion and Belonging (**DIB**) is an important focus for our business. We recognise that to be a high-performing organisation, our people must feel valued, included, and have a sense of purpose and belonging in their work.

DIB is a key component of our high-performance culture, focusing on improving employment experience and commercial outcomes. In practice, it is about continuously integrating inclusive lenses and behaviours into our systems, processes and measures of success so that DIB is sustainable, obvious, and simple for all employees.

In FY23, four volunteer EAGs representing Gender Balance, Cultural Diversity, Disability & Access, and Pride & Allies were launched, with participants from across our business. We consider our EAGs as champions of change, allies, and real 'voices' that will elevate our policies and business priorities. This year, EAGs helped Vicinity celebrate significant cultural days including Pride Month, Harmony Day, Disability Pride Month and International Women's Day to name a few.

Our events are coupled with philanthropic efforts wherever possible so that Vicinity employees may positively impact the wider communities we serve.

To enable Vicinity's refreshed strategy, we undertook an external-led assessment of our organisation's current DIB maturity and identified opportunities for accelerating progress. The assessment told us that Vicinity has strong foundations relative to other REITs, with room to continuously improve the integration of DIB into all we do. Therefore, we have begun incorporating and integrating DIB practices into our enterprise activities such as Mental Health Wellbeing program, governance reporting and leadership capability programs from FY24.

### Gender balance

We have committed to a target of 40% female, 40% male and 20% any gender (40:40:20) across each level of our organisation and WGEA categories by the end of FY23.

In FY23, our gender composition across our whole company has been maintained at 61% female representation, with 52% of our overall leadership being women (reflecting a slight improvement from the previous year).

Achieving our gender target of 40:40:20 across our most senior roles has been our ongoing focus, and in FY23 our BLT increased from 22% to 34% females. We know we have more to do and our focus in FY24 will be on how we continue to drive sustainable improvements and accordingly, we have reset our target date to FY25, as we continue to build on our recent successes.

Our CEO remained a member of the Property Champions of Change Coalition in FY23, a forum established to proactively drive greater gender equality in the property industry and increase the number of women in leadership roles.

## People (continued)



### CASE STUDY

#### Enthroned: Honouring Pride Royalty – Queen Victoria Building, NSW

As part of Sydney World Pride 2023 we renamed the iconic Queen Victoria Building (**QVB**) to honour five powerful people from the LGBTQIA+ community who have stood for change and pushed LGBTQIA+ representation and equality forward over the past 45 years.

Honouring legendary entertainer, trans icon and cabaret star Carlotta; queer activists Ken Davis who convened the Gay Solidarity Group which initiated the first ever Sydney Mardi Gras in 1978, making him one of the original 78ers; and Independent Sydney MP Alex Greenwich and ally Janine Middleton AM,

who together Co-Chaired Australian Equality and successfully fought and achieved marriage equality in Australia, these five 'real queens' took over Sydney's iconic QVB, temporarily renaming the building with their names appearing across a digital takeover on website, email newsletters, and social channels.

A physical installation brought the QVB's iconic dome to life including portraits of the talent showcasing the talents as royals, leaning into the rewriting of history and portraying the talent as 'real queens'.

Captured by photographer Dream Syndicator and styled by Brendan De La Hay, the images echo a modern renaissance, reflecting the personality of the unique talent in a rich and decadent portrait series.

Enthroned: Honouring Pride Royalty celebrated the outstanding achievements, and raised awareness of the incredible fight for equality and representation, over the decades. The activation provided meaningful support and awareness to the LGBTQIA+ community by partnering with a thoughtful curation of creatives and ambassadors from the community.



## Our wellbeing program

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

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

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

## Mental health and wellbeing

To align with the shift towards proactively managing mental health risks, Vicinity engaged AP Psychology & Consulting Services (**APPCS**) to design and deliver a three phased project to understand the current business maturity and the mental health and wellbeing of our employees – with a view to identify actions to improve our mental health and wellbeing maturity.

The three phases were:

### PHRASE ONE

Workplace Psychological Safety Index (**WPSI**) employee survey tool that was rolled out in March 2023 (to all employees, with ~60% responding to the survey).

### PHRASE TWO

Desktop review of initiatives and strategies to identify our level of maturity in mental health and wellbeing.

### PHRASE THREE

Focus group sessions to gain a deeper understanding and allowed us to further test and validate emerging insights from the WPSI.

A review of data from all three phases, combined with other data sources including the EX survey and Vicinity's Workcover claims, drove three important recommendations as priorities to focus on, to help strengthen the mental health and safety of our people:

**PREVENT** – Ownership: Uplifting leadership confidence and capability

**PROTECT** – Workload: Understand and address perceived workload stress

**SUPPORT** – Recognition and Involvement: Elevate employee voice and inclusivity

A multi-year, multi-pronged roadmap has been developed, providing the critical areas of focus and the initiatives that are foundational for building maturity, with a rollout planned for FY24.



Queen Victoria Building, NSW

## People (continued)

### Flexible working

We continue to recognise flexibility as an important business enabler and a key focus of our DIB and workplace strategies. For us, flexibility is more than just working from home, it's also about flexible working hours, compressed work weeks, working from other Vicinity locations as well as the more traditional part-time and job share arrangements.

In FY23, we continued to provide more clarity on our offering, focusing on a broad range of flexibility for all employees based on individual preference, role, and team requirements – with all employees and teams being encouraged to discuss their individual needs, to find a solution that balances all three factors.

This year, Vicinity had an absentee rate of 2.12%, which compares to 1.88% in FY22. Our teams told us through our EX survey that flexibility was important to them and that meant also creating moments for team connection, informal learning opportunities, in-person collaboration and building deeper relationships. This year, we further embedded our hybrid working approach of 60:40, where we introduced three collaboration days within our offices to support the needs of our teams.

More data on our absentee rate can be found in our FY23 Performance Pack in Annexure B (page 53) and on the Sustainability Reporting page on our website.



### SUSTAINABILITY REPORTING

### Focus on safety

Our Health, Safety, Environment and Wellbeing Management System (**HSEWMS**), along with our focus on continual improvement, empowers our people to work 'Safer, Healthier Together'. The Heath, Safety, Environment and Wellbeing (**HSEW**) team, in partnership with the business, manages risks and is focused on improving health, safety, environmental and wellbeing performance.

The HSEWMS is aligned to ISO 45001: Occupational Health and Safety Management Systems, and ISO 14001: Environmental Management Systems and its scope includes all Vicinity operations, assets, and our team members for all work activities.

During the reporting period, the HSEW team structure was refreshed, with the recruitment of a new General Manager of HSEW, an HSEW Program Manager and a Senior HSEW Business Partner. After an extensive review of existing systems, procedures and data, a three-year HSEW strategy was created and approved by the Board.

The strategy is underpinned by five priorities:

- **Management System:** further develop and implement an integrated HSEW management system, including refreshing and incorporating Environmental, Development and Wellbeing procedures into the HSEWMS.
- **Capability and Education:** identify and uplift HSEW role capabilities and implement education opportunities.
- **Oversight and Performance:** improve HSEW monitoring, measurement, analysis, and performance evaluation processes.
- **Mental Health and Wellbeing:** bring a systematic approach to management of mental health risk and promotion of wellbeing. To date, this has included conducting a Psychological Safety Risk Profiling exercise in 2023.
- **Contractor Safety Management:** Enhancement of contractor management safety due diligence.

A revised HSEW Policy was also adopted, in line with the three pillars of health and safety excellence: leadership, engagement and prevention. To track HSEW performance, HSEW maturity and delivery of the HSE Strategic Plan, a set of HSEW performance metrics have also been developed.

As part of the Vicinity's assurance program, Deloitte was engaged to complete a health, safety, and environment audit, looking at the top priority safety risks at 15 of Vicinity's locations, and the controls used to manage these risks. A further 45 centres completed HSEW self-assessments. Examples of risk items reviewed included electrical safety, mobile plant, loading docks, contractor management, and environmental management. The 45 centres not audited in this process are undertaking a HSEW self-assessment instead. At the time of writing this report, the audit remains ongoing and audit outcomes have yet to be finalised.

At Vicinity, safety incidents are taken seriously, and incidents are recorded in an incident reporting system. Significant incidents are investigated, and corrective actions may include the issue of a safety alert to the broader business. Where required by legislation, Vicinity notifies relevant WHS regulators of incidents. Where appropriate, safety learnings are shared with our team members and relevant stakeholders.

Vicinity's lost time injury frequency rate (**LTIFR**) has increased from 0.53 in FY22 with one injury recorded, to 5.64 in FY23 with 11 injuries recorded. Although injury numbers have increased, injury severity remains minor<sup>1</sup>. Each incident was reviewed, and the causes identified in accordance with Vicinity procedures and good safety management practice.

We employ various methods of consultation through our HSEWMS procedures including site health and safety committee meetings and HSEW team talks to have open, honest, and forthright consultation with all stakeholders.

<sup>1</sup>. Temporary incapacity (1-5 days) with a full recovery to work. FY23 incidents included events that resulted in sprains, strains, minor lacerations and/or bruises.



Box Hill Central, VIC

# Place

## OUR FOCUS

As a major owner and manager of destination retail and mixed-use precincts, we recognise that we can play a key role in sustainable place making. During design and construction, and through to operation, we focus on creating safe and reliable community hubs with the aim of reducing negative impacts on people and the planet.

We use recognised national frameworks such as the Green Star and NABERS rating tools to benchmark our developments and operational performance. These frameworks help us to drive continuous improvement and stronger sustainability performance across our portfolio. As a result, we aim to deliver positive outcomes for our consumers, retail partners, suppliers, and people.

The ongoing curation of our assets, combined with the delivery of sustainable operations and design is reflected through our high rankings in these programs, where we have one of the largest and highest rated Green Star Performance retail portfolios in Australia. Furthermore, we continually improve upon our operational performance, upholding a 4.6 Star NABERS Energy rating and 3.9 Star NABERS Water rating<sup>1</sup>.

## OUR FUTURE FOCUS

- Explore opportunities to reduce embodied carbon at our new and existing assets
- Develop a biodiversity baseline across our portfolio and explore options to increase urban biodiversity
- Develop a circular economy strategy to build on our commitment to reducing waste and incorporate circular design principles in developments
- Participate in the Green Star Performance early access program and seek to maintain a 4 Star portfolio rating under the new rating tool
- Maintain and increase the number of centres that are 5.0 Star NABERS Energy or greater



<sup>1</sup>. NABERS Sustainable Portfolio Index 2023, based on Vicinity's ownership interest and ratings as at 31 December 2022, with 99% portfolio coverage.

## SUSTAINABLE DESIGN AND CONSTRUCTION

Our sustainability objectives for developments are focused on:

- Embodying sustainable design,
- Delivering precincts that create opportunities to connect and drive a sense of belonging and embody sustainable design,
- Promoting responsible choices of materials and exploring opportunities to reduce embodied carbon, and
- Being cognisant of the need for our assets to be physically and operationally resilient against the increasing impacts of climate change.

Chadstone's new entertainment and dining precinct, The Social Quarter, is the first project to achieve Green Star Design under the new Green Star Buildings tool and is targeting a 5 Star Green Star Buildings certification.

Additionally, Chadstone's new office tower, One Middle Road, and the new Fresh Food precinct which are both currently under construction are also targeting 5 Star Green Star Buildings certification.

## Engaging communities in the development of centres

We engage with our local communities during the planning and construction of our development projects, whilst also considering a catchment's culture and history, to ensure that our centres continue to evolve and align with community and regulatory expectations.

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

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



## CASE STUDY

### Wonnal partners Galleria, WA co-design

In November 2022, the Galleria team participated in a co-design workshop with Noongar indigenous leaders in Perth. The workshop was the first of its kind for Vicinity and the start of our engagement with the Noongar community to help improve, build and nurture the relationship to achieve positive outcomes for future shopping centre developments and consequently their communities. The workshop identified a range of opportunities including employment for Aboriginal and Torres Strait Islander people, celebrating cultural heritage in centres such as including artwork by local Indigenous artists, using Indigenous place naming in centre and adding community facilities into the public realm such as bush tucker edible gardens, youth spaces and offering low sensory trading hours to support and be more inclusive of vulnerable customers.



Chadstone, VIC - The Social Quarter

## Place (continued)

### SUSTAINABLE OPERATIONS

Our centre teams are passionate about driving sustainable operational performance across our portfolio with a focus on continually improving, or best practice, initiatives. As a result, we have been able to deliver year on year improvements in the operational performance of our assets as we remain on track to achieve our Net Zero Target. Our approach to sustainable operations is expanded upon in our Planet section (page 40).

### Green Star Performance

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

Our asset portfolio is one of the largest and highest rated Green Star Performance retail portfolios in Australia, achieving a 4 Star Green Star Performance portfolio rating in FY19. We have maintained this rating over the past four years as we prepare to re-certify under the new, more stringent, Green Star Performance tool and we have been a key contributor to the development of this tool – which was released in early FY23. We have also joined the Green Star Performance Early Access Program that will allow us to test the new and updated Green Star Performance categories and drive further best practice across our operations.

### NABERS

NABERS provides a specific and accurate framework to measure the energy and water efficiency of retail assets. Vicinity uses the NABERS shopping centre tool to assess and benchmark the performance of its buildings.

Over the past four years we have ranked in the top 10 for NABERS Energy and NABERS Water in the NABERS Sustainable Portfolios Index (**SPI**), ranking equal 6th and equal 2nd respectively in the 2023 SPI.

We retain the largest rated retail portfolio both by number of assets and floor area, achieving a 4.6 Star NABERS Energy and a 3.9 Star NABERS Water Portfolio rating, with 99% of our eligible portfolio rated as at 31 December 2022.

Our annual assessments also help to identify future improvement opportunities.

Please see our FY23 Sustainability Performance Pack for more information including individual NABERS asset ratings in Annexure B of this document.



<sup>1</sup>. NABERS Sustainable Portfolio Index 2023, based on Vicinity's ownership interest and ratings as at 31 December 2022 with 99% portfolio coverage.

**Table 1: Vicinity's portfolio sustainability performance ratings**

Framework		FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Green Star Performance <sup>1</sup>	Rating	2 Star	3 Star	3 Star	4 Star	4 Star	4 Star	4 Star	4 Star
	Assessment	Average Practice	Good Practice	Good Practice	Australian Best Practice				
	Coverage	100%	100%	100%	100%	100%	100%	100%	100%
NABERS Energy <sup>2,3</sup>	Rating	3.4 Star	3.7 Star	3.6 Star	3.8 Star	3.9 Star	4.4 Star	4.6 Star	4.6 Star
	Coverage	56%	44%	85%	76%	86%	91%	100%	99%
NABERS Water <sup>2,3</sup>	Rating	2.9 Star	3.2 Star	3.1 Star	3.3 Star	3.4 Star	3.4 Star	4 Star	3.9 Star
	Coverage	50%	44%	82%	76%	86%	91%	100%	99%

### Promoting sustainability with our retailers

Our sustainability strategy recognises the value in building strategic partnerships with our retailers to achieve shared sustainability goals together.

We support our retailers through:

- Our retail design guidelines, which include minimum sustainability requirements and best practices in shop fit outs and refurbishments
- Providing monthly energy data to retailers who purchase electricity through Vicinity to drive efficiency improvements
- An education and engagement program to help retailers improve their waste management and recycling practices
- Implementation of our community investment program which aims to reduce negative youth-related issues to enhance customer experience and drive better retail performance.



### CASE STUDY

#### Cardboard fit out for phone repairs (Emporium Melbourne, VIC – Circular Economy)

In June 2023, EcoR tech opened its flagship store in Emporium Melbourne. EcoR tech is a tech repair business focused on reducing e-waste and promoting sustainability while providing alternatives to the purchase of phones, tablets, and other tech products. They set out to design, manufacture, and install a store predominantly constructed from cardboard—a first-of-its-kind venture—in Emporium Melbourne.

The fit out process took 8-10 weeks, using thousands of sheets of cardboard cut and bonded together to create a visually engaging store fit out.

Vicinity continues to support EcoR tech's vision to be a leader in sustainable technology and their role in educating and advocating for the circular economy principles of reduce, reuse and recycle.

1. Managed portfolio.

2. NABERS Sustainable Portfolio Index 2023, based on Vicinity's ownership interest and rating as at 31 December 2022 with 99% portfolio coverage.

3. For asset level Green Star and NABERS ratings, go to the 'Asset environmental data' tab in the FY23 Sustainability Performance Pack on our website - [vicinity.com.au/sustainability/reporting](http://vicinity.com.au/sustainability/reporting).

# Planet

## OUR FOCUS

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

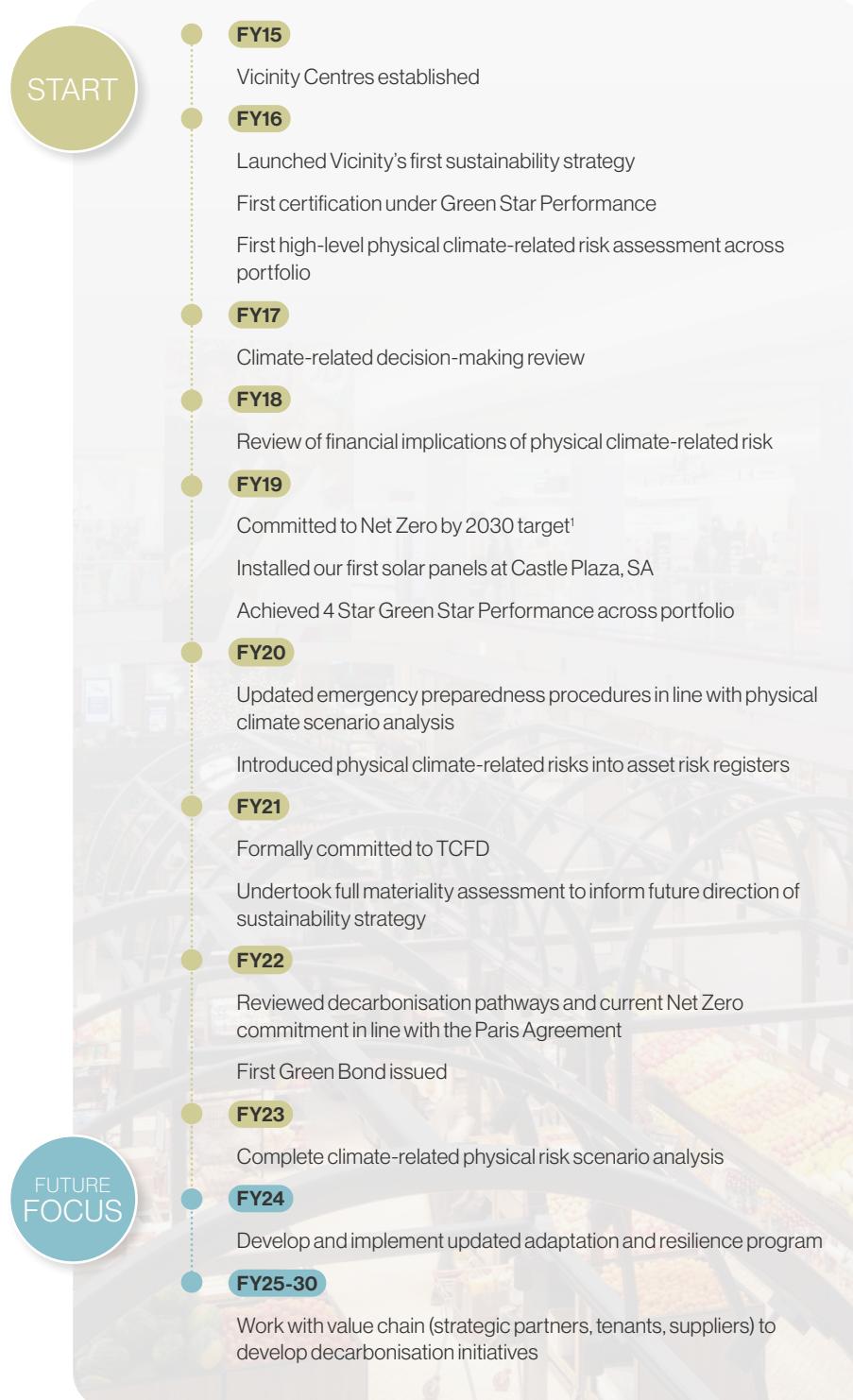
To address this challenge, we have committed to taking action to reduce our environmental footprint and contribute positively to our communities. Our approach addresses both the cause and the impact of climate change with three key objectives:

- Deliver our Net Zero Target<sup>1</sup>
- Increase total renewable energy usage
- Strengthen agility and capacity to adapt to climate-related risks

## OUR FUTURE FOCUS

- Continue increasing our onsite solar generation at our existing assets and new developments
- Develop a circular economy strategy to build on our commitment to increasing waste diversion from landfill and incorporate circular design principles in new developments
- Enhance climate resilience of our centres through continued climate scenario analysis of physical and transition risks and progressing action plans

## OUR CLIMATE JOURNEY



1. Net Zero by 2030 for common mall areas of wholly-owned assets.

## OUR APPROACH TO MANAGING CLIMATE CHANGE

### Mitigation

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

Our Net Zero Target, established in 2019, is being delivered through our large-scale onsite solar program, scaled-up energy efficiency initiatives, demand management and a transition away from carbon intensive energy sources through scaling back fossil fuel-reliant equipment.

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

### Adaptation and resilience

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

In March 2023, we published our first standalone TCFD Statement for 12 months to 30 June 2022. The report highlights Vicinity's work on climate to date including the completion of climate scenario analysis of key transition risks and opportunities and a review of our Net Zero Target against the Paris Agreement.

During FY23, we completed scenario analyses of the physical climate impacts on Vicinity's portfolio, which we combined with last year's scenario analysis on transition risks to create an adaptation roadmap.

For further details, please refer to Vicinity's second TCFD Statement, to be published later this financial year.

### Our performance

We have continued to deliver upon reductions in energy and water intensity across our managed portfolio and we have also achieved a diversion of 51% of waste generated from landfill. Since FY16 we have reduced our energy intensity by 12% and carbon intensity by 36% across our managed portfolio. All of this has been achieved through targeted efficiency programs across our centres.

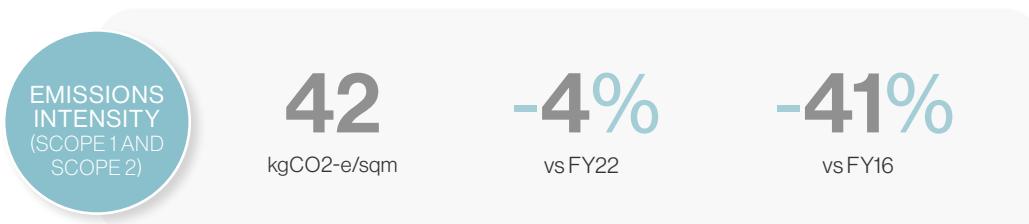
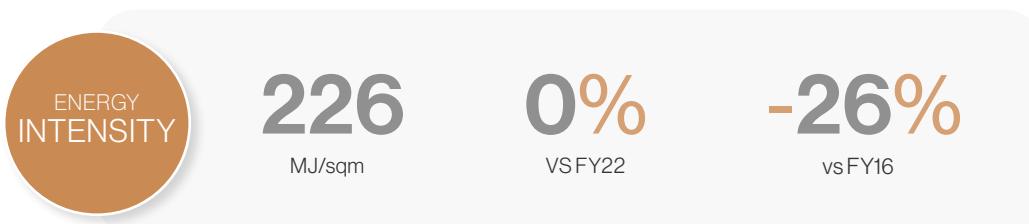
Our performance data is based on Vicinity's managed portfolio during FY23, unless otherwise stated includes restatements to historical years data where necessary.

### Net Zero target

We have continued to perform well against our Net Zero 2030 Target, which was set during 2019. This target aligns to Australia's commitments under the Paris Agreement (United Nations Framework Convention on Climate Change).

Our Net Zero Target covers the Scope 1 and Scope 2 carbon emissions from the common mall area of Vicinity's 30 wholly-owned centres - that is, the emissions within our operational control at these assets.

## NET ZERO TARGET<sup>1</sup> PERFORMANCE



1. Target is across Vicinity's wholly-owned retail assets for Scope 1 and Scope 2 emissions (common mall areas).



## Planet (continued)

### MANAGED PORTFOLIO

#### Energy

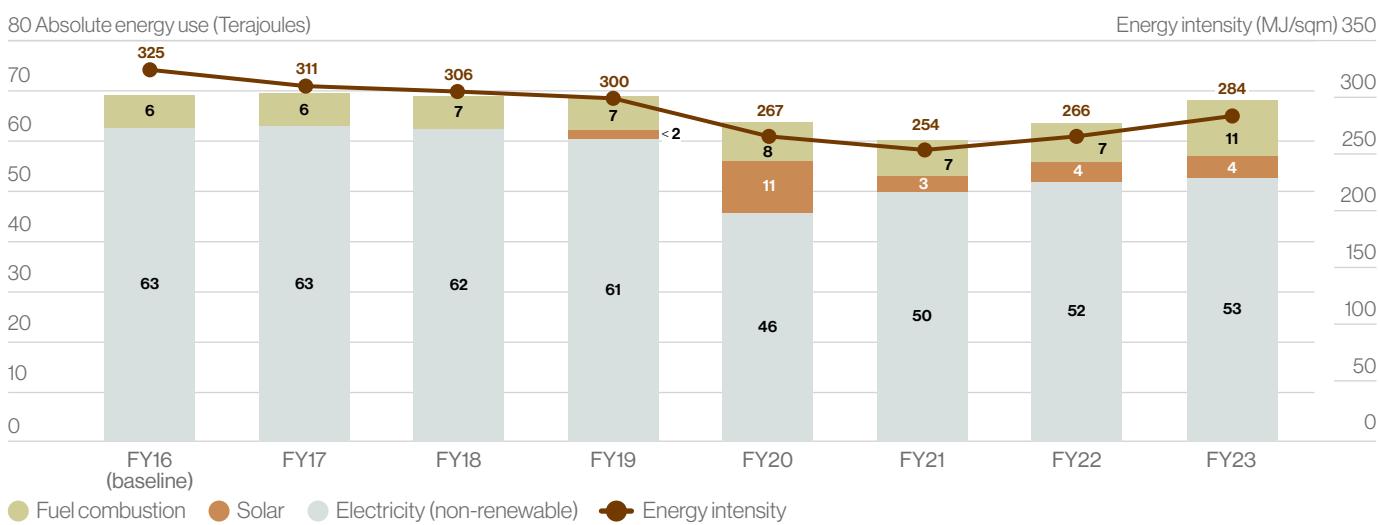
Energy efficiency is a key component of our broader resource efficiency program that focuses on driving continuous improvements in how we manage energy, water and materials across the operations of our assets.

The program is supported by our portfolio and centre level targets and initiatives, including a lifecycle replacement program focusing on lighting, vertical transport, heating and cooling, along with optimising building operations and performance through building management systems.

Electricity use remained stable across the managed portfolio in FY23, increasing 2% on FY22; however, natural gas use recorded increased significantly (by 48%), primarily as a result of a review of how gas use is allocated between common mall and tenants, which has resulted in more accurate allocation.

As a result, total energy consumption increased 8% and energy intensity increased by 7% on FY22, however, both total energy use and energy intensity maintained a downward trajectory on the 2016 baseline, reducing by 2% and 12% respectively, despite a 12% increase in GLA.

**Graph 1: Energy use for Managed portfolio**



**CASE STUDY**

## Building Management System upgrade

In FY23, we commenced a centralised Building Management System (**BMS**) solution across Vicinity's portfolio on the Azure cloud to enable centralised remote management of building operations for both centre and head office teams. When the rollout is complete, this will deliver a consistent and uniform system across all centres, improving efficiency and providing cost savings. This upgrade will allow our centres to develop data-driven strategies in order to optimise energy consumption, leading to reduced electricity usage and lower carbon emissions.

In conjunction with the BMS upgrade, an Automated Demand Response (**ADR**) function has been implemented to provide visibility and control over energy consumption of common area services, through the installation of live meters. The ADR's demand response capabilities help manage peak demand, reducing the reliance on non-renewable energy during high-load periods.

**ONSITE SOLAR**

In FY19, we committed to a \$73 million investment in on-site solar generation to deliver energy resilience and efficiencies and ultimately assist us in meeting our Net Zero Target.

Since the first solar panels were installed at Castle Plaza, SA in December 2018, we have installed 33.49 MW worth of solar capacity across 22 centres. This includes Chadstone, VIC's additional solar as part of The Social Quarter and Chadstone Place developments during FY23.

Our onsite solar program has displaced about 9% of our energy demand from the grid and has the capacity to generate around 47,767 MWh per year – the equivalent of powering 8,236 average Australian homes.

**Table 2: Renewable energy for Managed portfolio**

	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Renewable energy consumption	MWh	—	—	—	4,891	29,244	34,746	40,387	39,241
Solar exported	MWh	—	—	—	74	1,854	4,167	4,548	3,664
Renewable energy generation	MWh	—	—	—	4,965	31,098	38,913	44,935	42,946
Renewable energy (generated and consumed onsite)	%	—	—	—	1%	7%	9%	10%	9%



## Planet (continued)

### GREENHOUSE GAS (GHG) EMISSIONS

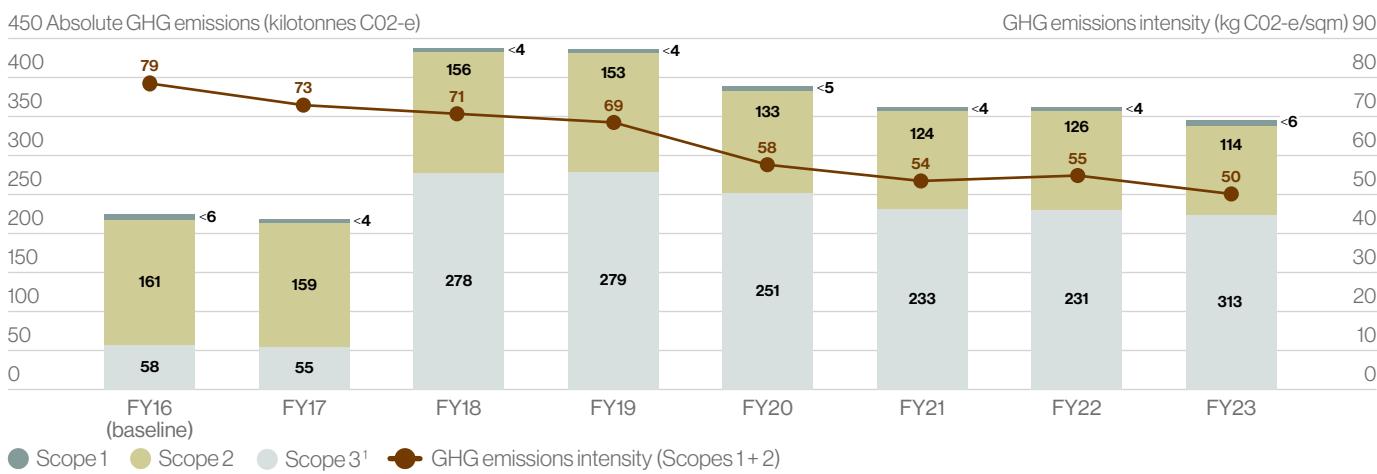
As a business we measure and report on Scope 1, Scope 2, and Scope 3 emissions from energy, waste, water and tenants<sup>1</sup>.

During the year we saw a decrease of 8% in Scope 1 and Scope 2 emissions, driven by a significant reduction in the carbon intensity of the national grid, specifically in Victoria, where half our portfolio is located.

During FY22 we commenced reporting on tenant related emissions as part of Scope 3 and will continue to work with our tenants into FY24 and beyond to better understand Scope 3 emissions and work to get a more complete picture of emissions ahead of Scope 3 reporting under ISSB, which will be required from FY26.

Whilst we have captured tenant data on a regular basis since FY18, this only includes tenants who purchase electricity through us.

**Graph 2: GHG emissions for Managed portfolio**



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

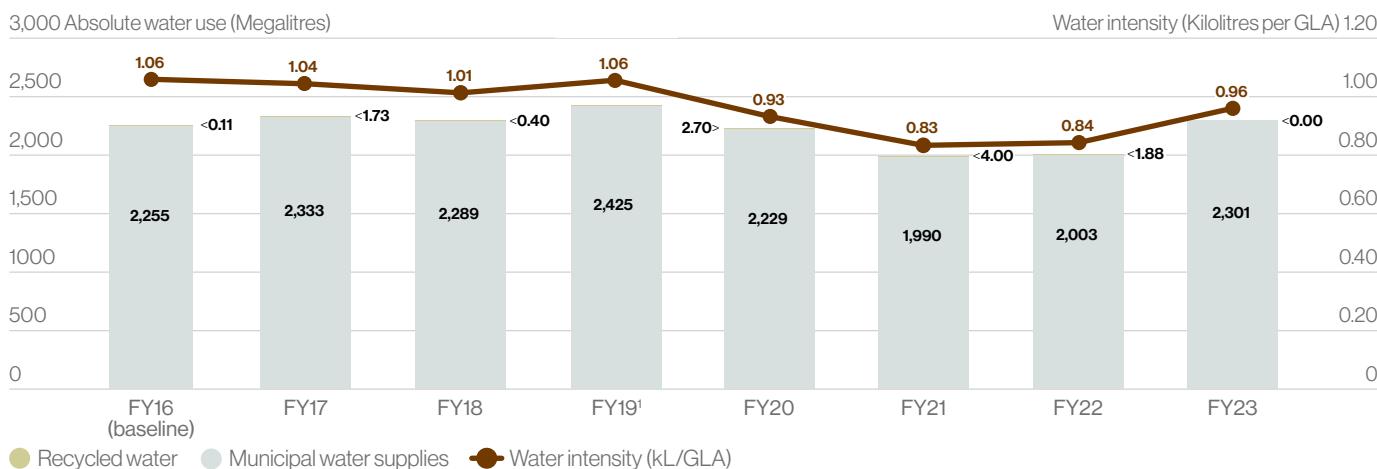
### WATER

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

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

Water use intensity increased by 14% in FY23 from FY22, reflecting a return to a full year of normal operations following COVID-19 restrictions in FY22. However, proactive water use management has resulted in water use intensity reducing by 9% since the FY16 baseline, and absolute water use has remained stable over that time, up only 2%, despite a 12% increase in GLA.

**Graph 3: Water use for Managed portfolio**



1. FY19 water intensity was misreported in the FY19 performance pack. This number was updated in the FY20 performance pack.

## MATERIALS USE AND WASTE DIVERSION

As a retail property owner and manager, our centres are a major aggregator and user of materials, whether through our developments, refurbishment, tenant fit outs and de-fits, or the day-to-day operations of our retailers. As a result, disposal of materials is one of our largest indirect environmental impacts.

To ensure that as much of these materials as possible is recycled, we provide infrastructure, guidance and support to our retailers and consumers across our centres.

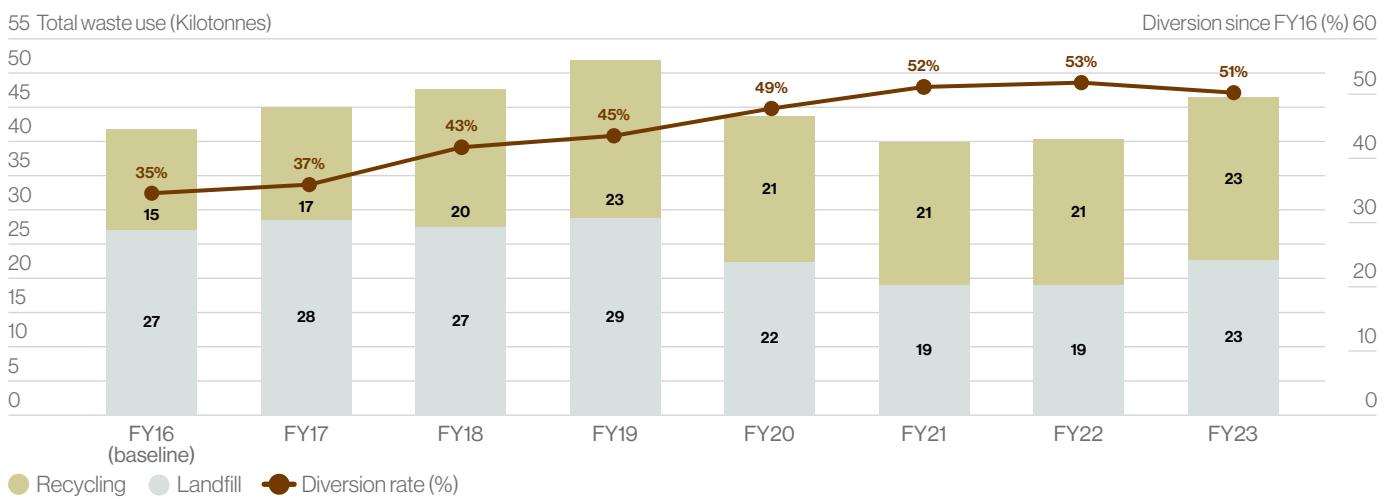
Our materials recovery strategy aims to increase materials diversion from landfill, with a focus on increasing the diversion of organics (food waste), fibre (paper and cardboard), and mixed recycling. We deliver on this through ongoing engagement with our retailers, infrastructure reviews and upgrades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

In FY23 we commenced work to understand what the circular economy means for Vicinity and how we can integrate its principles:

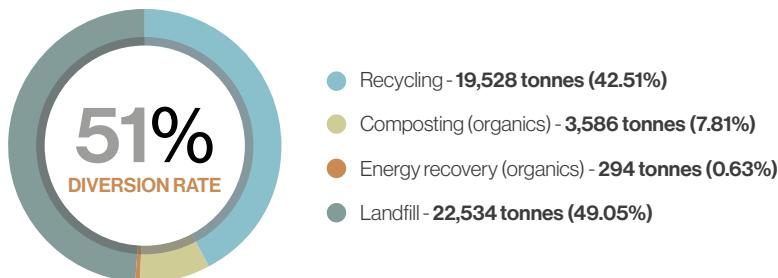
1. Eliminate waste and pollution,
2. Keep products and materials in circulation for as long as possible, and
3. Regenerate nature into everything we do, from procurement to development to operations, and support our tenants to do the same.

Total waste generation has increased by 14% from FY22 to FY23, once again impacted by returning to a full year of operations post disruptions from COVID-19. While total material diverted from landfill increased by 10%, our rate of material diversion dropped 2% from 53% in FY22 to 51% in FY23.

**Graph 4: Materials generation and diversion**



**Chart 1: Materials generation and diversion**



## Planet (continued)



### CASE STUDY

#### EV charging stations rollout

During FY22, we began working with low carbon energy company, ENGIE, to deliver electric vehicle fast-charging (**DC**) stations in car parks across our portfolio, expanding our offering and setting the benchmark for customer convenience. In FY23 we delivered 14 DC electric vehicle (**EV**) charging stations across 11 assets in partnership with Engie, in addition to a DC charging station installed at Karratha City, WA with Horizon Power, for a total of 43 EV charging stations (**AC/DC**) at 15 centres across our portfolio. The introduction of EV chargers not only underscores our dedication to supporting cleaner transportation options but also reaffirms our commitment to staying at the forefront of technological advancements.

A map and timeline of our EV charging station rollout across our portfolio, is on page 47.

**Example 1 – Chadstone, VIC:** In August 2023, we introduced 8 EV charging stations, adding to the consumer experience by introducing a new, scalable alternative income stream. Chadstone's new EV charging infrastructure consists of a four-bay paid DC charger bays and four free AC charger bays, which are designed to accommodate a variety of electric vehicles and charging preferences.

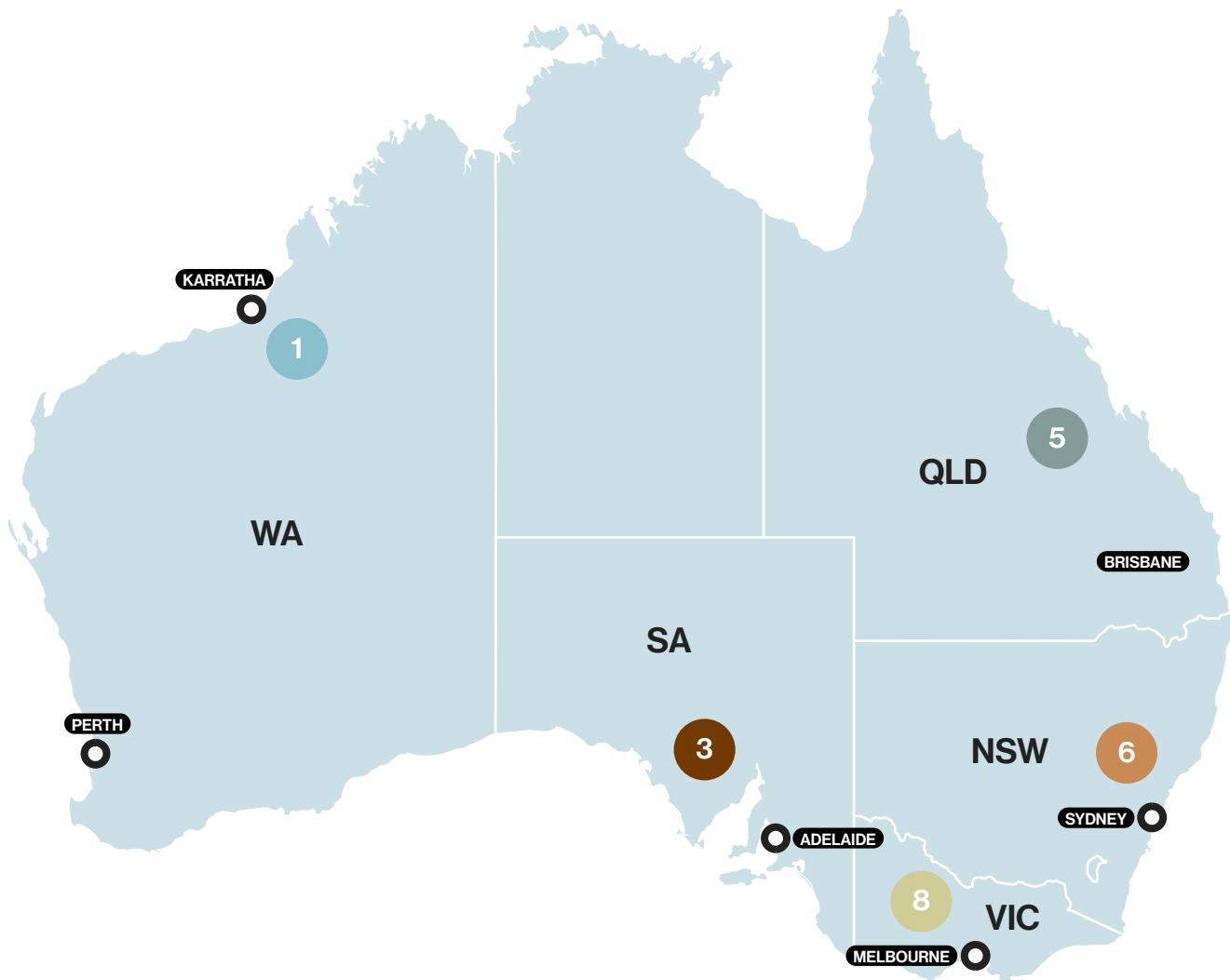


**Example 2 – The Glen, VIC:** The success of our EV charger initiative is already evident through the overwhelming response from the community. Since being installed in April 2023, the EV chargers at The Glen have witnessed such high demand that we have taken the initiative to upgrade their speed to a 150kW unit, versus a traditional fast charger of 100kW. This upgrade demonstrates our ability to adapt and cater to the evolving needs of our customers, ensuring that they have access to the latest and most efficient charging technology.



## DC ELECTRICAL VEHICLE STRATEGY – PARTNERSHIP PROGRAMS

National map of EV rollout



### NSW

- Chatswood Chase Sydney
- DFO Homebush
- Lake Haven Centre
- Nepean Village
- Roselands
- Warriewood Square



### SA

- Castle Plaza
- Colonnades
- Elizabeth City Centre

### VIC

- Altona Gate
- Bayside
- Box Hill Central
- Chadstone
- Cranbourne Park
- DFO South Wharf
- The Glen
- Victoria Gardens Shopping Centre



### TAS

- Eastlands
- Northgate



### WA

- Karratha City

### KEY:

- Completed in FY23
- Future pipeline expansion

# Annexure A

## 2023 GRI CONTENT INDEX

Vicinity Centres sustainability disclosures within our FY23 Sustainability Report are prepared in accordance with the GRI Standard at a core level. The GRI Content Index below references sections of the report, and where relevant, the 2023 Annual Report and the 2023 Corporate Governance Statement. Additionally, Vicinity's FY23 Performance Pack, which contains current and historical years' performance data can be accessed in Annexure B on page 53.

GRI Standard	Disclosure	Reference
<b>GENERAL DISCLOSURES</b>		
<b>GRI 2: General Disclosures 2021</b>	102-1 Organisation Details	About Vicinity Centres (page 4)
	102-2 Entities included in the organisation's sustainability reporting	About Vicinity Centres (page 4)
	102-3 Reporting Period, frequency and contact point	Our Sustainability Report (page B)
	102-4 Restatement of Information	Annexure B: Prior Year Statements (page 53)
	102-5 External Assurance	Our Sustainability Report (page B)
	102-6 Activities, value chain and other business relationships	About Vicinity Centres (page 4) Supply Chain (page 20) Engaging with our stakeholders (page 17)
		 <a href="#">2022 MODERN SLAVERY STATEMENT</a>
	102-7 Employees	About Vicinity Centres (page 4) People - Our People statistics in FY23 (page 29) Annexure B: Data - Our workforce statistics (page 54)
	102-8 Workers who are not employees	N/A
	102-9 Governance structure and composition	Governance Structure (page 8)  <a href="#">GOVERNANCE – PAGE 30</a>
	102-10 Nomination and selection of the highest governance body	2023 Corporate Governance Statement (page 2)  <a href="#">GOVERNANCE – PAGE 30</a>
	102-11 Chair of the highest governance body	2023 Corporate Governance Statement (page 2)  <a href="#">GOVERNANCE – PAGE 30</a>
	102-12 Role of the highest governance body in overseeing the management of impacts	2023 Corporate Governance Statement (page 2)  <a href="#">GOVERNANCE – PAGE 30</a>
	102-13 Delegation of responsibility for managing impacts	Governance Structure (page 8) Reporting and Transparency (page 9)
	102-14 Role of the highest governance body in Sustainability Reporting	Governance and Reporting (page 8) Vicinity's Governance Structure (page 8)
	102-15 Conflicts of interest	 <a href="#">CONFLICTS OF INTEREST</a>
	102-16 Communications of critical concern	The sustainability team reports quarterly to the Board on each of its material topics as well as performance against these metrics. Furthermore, through the Audit Committee and the Risk, Compliance and ESG Committee, the Sustainability team provides regular updates on critical concerns.

GRI Standard	Disclosure	Reference
<b>GENERAL DISCLOSURES</b>		
<b>GRI 2: General Disclosures 2021</b>		
102-17 Collective knowledge of the highest governance body	Supply Chain - Addressing Modern Slavery risks in our supply chain (page 21)	
102-18 Evaluation of the performance of the highest governance body	2023 Corporate Governance Statement (page 4)	
102-19 Remuneration policies	 <a href="#">REMUNERATION REPORT – PAGE 48</a>	
102-20 Process to determine remuneration	Vicinity has a Remuneration and Human Resources Committee which assists the Board in fulfilling its corporate governance responsibilities in relation to the remuneration framework, remuneration and performance of the CEO as well as the ELT and remuneration disclosures.	
102-21 Annual total compensation ratio	 <a href="#">REMUNERATION REPORT – PAGE 48</a>	N/A
102-22 Statement on sustainable development strategy	A message from our CEO (page 2)	
102-23 Policy commitments	Vicinity's policy commitments for responsible business conduct are described throughout this report. Where policies are published externally, links are provided within this report.	
102-24 Embedding policy commitments	 <a href="#">CORPORATE GOVERNANCE</a>	Embedding Vicinity's policy commitments for responsible business conduct are described throughout this report. Where policies are published externally, links are provided within this report.
102-25 Process to remediate negative impacts	 <a href="#">CORPORATE GOVERNANCE</a>	Supply Chain - Addressing Modern Slavery risks in our supply chain (page 21)
102-26 Mechanisms for seeking advice and raising concerns	 <a href="#">CODE OF CONDUCT POLICY</a>	 <a href="#">WHISTLEBLOWER POLICY</a>
102-27 Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations during FY23	
102-28 Member Associations	Engaging with our Suppliers (page 20) Governance and Reporting (page 8)	
102-29 Approach to stakeholder Engagement	Engaging with our Suppliers (page 20) Governance and Reporting (page 8)	
102-30 Collective bargaining agreements	Vicinity respects and is guided by Fair Work Australia and the Fair Work Act 2009 on individuals rights to freely join and/or form a trade union of their choice and their right to collective bargaining.	
	 <a href="#">HUMAN RIGHTS POLICY</a>	
	 <a href="#">SUPPLIER CODE OF CONDUCT</a>	

## Annexure A (continued)

GRI Standard	Disclosure	Reference
<b>MATERIAL ISSUES</b>		
<b>Climate risk and opportunities</b>		
<b>GRI 201: Economic Performance 2016</b>	201-2 Financial implications and other risks and opportunities due to climate change	Planet - Our Approach to Managing Climate Change (page 41)
<b>Energy and emissions</b>		
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Planet - Managed Portfolio - Energy (page 42) Annexure B: Data - Energy use (page 59)
	302-3 Energy intensity	Planet - Managed Portfolio - Energy (page 42) Annexure B: Data - Energy use (page 59)
	302-4 Reduction of energy consumption	Planet - Managed Portfolio - Energy (page 42) Annexure B: Data - Energy use (page 59)
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Planet - Managed Portfolio - GHG (page 44) Annexure B: Data - Greenhouse gas emissions (page 59)
	305-2 Energy indirect (Scope 2) GHG emissions	Planet - Managed Portfolio - GHG (page 44) Annexure B: Data - Greenhouse gas emissions (page 59)
	305-3 Other indirect (Scope 3) GHG emissions	Planet - Managed Portfolio - GHG (page 44) Annexure B: Data - Greenhouse gas emissions (page 59)
	305-4 GHG emissions intensity	Planet - Managed Portfolio - GHG (page 44) Annexure B: Data - Greenhouse gas emissions (page 59)
	305-5 Reduction of GHG emissions	Planet - Managed Portfolio - GHG (page 44) Annexure B: Data - Greenhouse gas emissions (page 59)
<b>Water use</b>		
<b>GRI 303: Water and effluents 2018</b>	303-5 Water consumption	Planet - Managed Portfolio - Water (page 44) Annexure B: Data - Water use (page 59)
<b>Waste and recycling</b>		
<b>GRI 306-3: Waste 2020</b>	306-3 Waste generated	Planet - Managed Portfolio - Waste (page 45) Annexure B: Data - Waste generated (page 59)
<b>Sustainable precincts</b>		
<b>GRI 203: Indirect economic impacts 2016</b>	203-2 Significant indirect economic impacts	Action Towards reconciliation (page 27) Place - Engaging communities in the Development of Centres (page 37) Investing in our communities (page 23)
<b>GRI 413: Local communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Action Towards reconciliation (page 27) Investing in our communities (page 23) Creating Community hubs (page 24) Place - Engaging communities in the development of Centres (page 37)
<b>Non-GRI</b>	Employee participation in volunteering and workplace giving	 <a href="#">FY23 SUSTAINABILITY PERFORMANCE PACK</a>
	Net Promotor Score	Measuring customer satisfaction and advocacy (page 10)

GRI Standard	Disclosure	Reference
<b>MATERIAL ISSUES</b>		
<b>Physical safety</b>		
<b>GRI 403: Occupational health and safety 2018</b>	403-1 Occupational Health and Safety management system  403-3 Occupational health services  403-4 Worker participation, consultation, and communication on occupational health and safety  403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  403-9 Work related injuries	Focus on safety (page 34)  Focus on safety (page 34)  Focus on safety (page 34)  Focus on safety (page 34)  Focus on safety (page 34)  Annexure B: Data - Absentee rate for employees and internal contractors (page 58)  Annexure B: Data - Injury performance indicators for employees and internal contractors (page 58)
<b>Diversity, Inclusion and belonging</b>		
<b>GRI 401: Employment 2016</b>	401-3 Parental leave	Flexible working (page 34)  Annexure B: Data - Return to work and retention rate after parental leave (page 56)
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees  405-2 Ratio of basic salary and remuneration of women to men	Diversity, inclusion and belonging (page 31)  Annexure B: Data - Age Diversity (page 57)  Annexure B: Data - Gender Diversity (page 56)  Diversity, inclusion and belonging – Promoting equal pay (page 30)  Annexure B: Data - Percentage of remuneration from women to men (page 57)
<b>Responsible supply chain including modern slavery</b>		
<b>GRI 308: Supplier environmental assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Supply Chain (page 20)
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Action Towards reconciliation (page 27)  People (page 22)  Investing in our communities (page 23)  Creating Community hubs (page 24)  Place (page 36)
<b>GRI 414: Supplier social assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Supply Chain (page 20)

## Annexure A (continued)

GRI Standard	Disclosure	Reference
<b>MATERIAL ISSUES</b>		
<b>Employee engagement</b>		
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Focus on our People (page 29) Annexure B: Data - New hires and turnover (page 55)
<b>GRI 404: Training and education 2016</b>	404-1 Average hours of training per year per employee  404-3 Percentage of employees receiving regular performance and career development reviews	Annexure B: Data - Average hours of training (page 58)  Focus on our People - Performance and reward (page 30) Annexure B: Data - Percentage of employees who received performance reviews, by gender and by employee category (page 58)
<b>Non-GRI</b>	Employee Engagement Score	Focus on our People (page 29)
		 <a href="#">FY23 SUSTAINABILITY PERFORMANCE PACK</a>
<b>Communication, disclosure and transparency</b>		
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	 <a href="#">2023 ANNUAL REPORT</a>   <a href="#">STATEMENT OF COMPREHENSIVE INCOME (PAGE 74)</a>   <a href="#">PORTFOLIO AND FINANCIAL PERFORMANCE (PAGE 8)</a>   <a href="#">TAX TRANSPARENCY (PAGE 38)</a>
<b>GRI 205: Anticorruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Ethics and risk management (page 9)
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	Ethics and risk management (page 9)
<b>Data privacy, protection and use</b>		
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	If there is a notable data breach, it is reported to the Office of the Australian Information Commissioner

# Annexure B

## FY23 SUSTAINABILITY PERFORMANCE PACK

### Organisational boundary

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

### Prior year statements

Where relevant, prior period figures have been restated when more accurate data becomes available or when there have been material changes to the methodologies for data calculation and estimation. Historical data in our FY23 Sustainability Performance Pack has been restated to reflect asset ownership as at 30 June 2023 and includes assets divested in FY23.

### Baseline

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

### External assurance

Vicinity has obtained independent limited assurance by EY over some of the indicators reported within this data pack. Access our assurance statement in Annexure C (page 60) and on the Sustainability Reporting page on our website.

### Further information

Further information about definitions, methodologies and approaches used by Vicinity to prepare its environmental and social performance data can be found in our FY23 Sustainability Reporting Criteria on the Sustainability Reporting page on our website.

Additionally, asset level data is available in the FY23 Sustainability Performance Pack on the Sustainability Reporting page on our website.



SUSTAINABILITY REPORTING

## Annexure B (continued)

### PEOPLE

#### GRI 102-7 – Our workforce statistics

	FY16		FY17		FY18		FY19		FY20		FY21		FY22		FY23		<b>TOTAL</b>
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Total workforce	519	766	519	788	531	781	557	798	515	777	482	753	504	762	507	799	<b>1306</b>
<b>By employment type</b>																	
Full-time	459	516	472	516	506	551	525	563	481	528	443	523	454	523	452	550	<b>1002</b>
Part-time	15	146	15	173	25	230	32	235	34	249	39	230	50	239	55	249	<b>304</b>
<b>By contract</b>																	
Permanent	474	662	487	689	499	699	525	720	485	698	445	650	451	654	447	689	<b>1136</b>
Fixed-term contractors	36	61	20	56	23	38	24	38	16	22	18	42	23	41	24	37	<b>61</b>
Casual	9	43	12	43	9	44	8	40	14	57	19	61	30	67	36	73	<b>109</b>
<b>By state</b>																	
ACT	11	11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NSW	67	113	74	115	70	119	74	109	60	111	55	111	50	111	47	126	<b>173</b>
QLD	57	101	58	91	60	83	58	85	49	68	45	62	40	55	48	60	<b>108</b>
SA	23	24	24	27	21	27	26	30	26	30	20	26	19	29	17	30	<b>47</b>
TAS	7	12	6	12	6	11	6	12	6	11	6	10	4	10	4	9	<b>13</b>
VIC	298	428	295	456	316	456	333	475	318	481	307	476	343	491	346	507	<b>853</b>
WA	56	77	62	87	58	85	60	87	56	76	49	68	48	66	45	67	<b>112</b>
<b>Employees by Age</b>																	
Under 30	—	—	—	—	59	114	66	137	57	124	59	116	62	117	64	119	<b>183</b>
30-50	—	—	—	—	322	497	351	484	323	476	292	444	298	447	309	484	<b>793</b>
Over 50	—	—	—	—	150	170	140	177	135	177	131	193	144	198	134	196	<b>330</b>

#### Employees by region (FY23)

	ACT	NSW	QLD	SA	TAS	VIC	WA	Total
Total workforce	—	173	108	47	13	853	112	<b>1306</b>
<b>Employees by employment type</b>								
Full-time								
Part-time	—	47	35	10	5	192	15	<b>304</b>
<b>Employees by contract type</b>								
Permanent								
Temporary employees (fixed-term)	—	5	5	—	—	47	4	<b>61</b>
Non-guaranteed hours employees (casual)	—	24	10	5	1	69	—	<b>109</b>
<b>Total</b>	—	<b>173</b>	<b>108</b>	<b>47</b>	<b>13</b>	<b>853</b>	<b>112</b>	<b>1306</b>

**GRI 401-1 – New hires<sup>1</sup>**

	FY16		FY17		FY18		FY19		FY20		FY21		FY22		FY23	
By gender	Number	Rate														
Male	126	24%	104	20%	123	23%	117	21%	60	12%	72	14%	122	24%	143	28%
Female	169	22%	168	21%	143	18%	152	19%	124	16%	156	20%	182	24%	213	27%
Not declared	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—
<b>By age</b>																
Under 30	80	40%	75	39%	75	43%	79	39%	65	36%	65	37%	97	54%	116	63%
30-50	175	21%	165	20%	157	19%	157	19%	95	12%	124	17%	157	21%	185	23%
Over 50	40	14%	32	12%	34	11%	33	10%	24	8%	39	12%	50	15%	56	17%
<b>By state<sup>2</sup></b>																
ACT	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NSW	—	—	—	—	—	—	—	—	—	—	40	24%	46	29%	50	29%
QLD	—	—	—	—	—	—	—	—	—	—	23	21%	17	18%	27	25%
SA	—	—	—	—	—	—	—	—	—	—	5	11%	9	19%	9	19%
TAS	—	—	—	—	—	—	—	—	—	—	2	12%	4	29%	4	31%
VIC	—	—	—	—	—	—	—	—	—	—	133	17%	204	24%	232	27%
WA	—	—	—	—	—	—	—	—	—	—	25	21%	24	21%	35	31%
<b>Group total</b>	<b>295</b>	<b>23%</b>	<b>272</b>	<b>21%</b>	<b>266</b>	<b>20%</b>	<b>269</b>	<b>20%</b>	<b>184</b>	<b>14%</b>	<b>228</b>	<b>18%</b>	<b>304</b>	<b>24%</b>	<b>357</b>	<b>27%</b>

1. The number of new hires in each category as a proportion of employees in that category from the above table (i.e. new hire females/total employed females).

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

**GRI 401-1 – Turnover<sup>1</sup>**

	FY16		FY17		FY18		FY19		FY20		FY21		FY22		FY23	
By gender	Number	Rate														
Male	154	30%	127	24%	108	20%	96	17%	98	18%	112	23%	113	23%	141	28%
Female	223	29%	191	24%	164	21%	139	17%	140	18%	180	24%	186	25%	178	22%
Not declared	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	—
<b>By age</b>																
Under 30	62	31%	62	32%	62	36%	53	26%	49	26%	48	27%	78	44%	89	49%
30-50	234	28%	188	22%	151	18%	136	16%	137	17%	172	23%	156	21%	170	21%
Over 50	81	28%	68	25%	59	18%	46	15%	52	17%	72	22%	65	20%	62	19%
<b>By state<sup>2</sup></b>																
ACT	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NSW	—	—	—	—	—	—	—	—	—	—	51	31%	56	35%	40	23%
QLD	—	—	—	—	—	—	—	—	—	—	35	33%	29	31%	17	16%
SA	—	—	—	—	—	—	—	—	—	—	14	30%	7	15%	14	30%
TAS	—	—	—	—	—	—	—	—	—	—	3	19%	5	36%	5	38%
VIC	—	—	—	—	—	—	—	—	—	—	150	19%	175	21%	209	25%
WA	—	—	—	—	—	—	—	—	—	—	39	33%	27	24%	36	32%
<b>Group total</b>	<b>377</b>	<b>29%</b>	<b>318</b>	<b>24%</b>	<b>272</b>	<b>21%</b>	<b>235</b>	<b>17%</b>	<b>238</b>	<b>18%</b>	<b>292</b>	<b>23%</b>	<b>299</b>	<b>26%</b>	<b>321</b>	<b>25%</b>

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

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

## Annexure B (continued)

### PEOPLE (CONTINUED)

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

	FY17		FY18		FY19		FY20		FY21		FY22		FY23	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Employees entitled to parental leave	487	689	402	598	432	611	441	624	397	557	451	654	447	689
Employees that took parental leave	6	42	15	42	13	58	25	69	17	55	21	42	27	62
Employees who returned to work in the reporting period after parental leave ended	6	48	15	23	14	29	26	38	14	25	16	24	23	34
Employees who returned to work after parental leave ended in the previous financial year	6	29	6	48	15	23	14	29	26	38	14	25	16	24
Employees who returned to work after parental leave ended who were still employed 12 months after their return	5	26	5	27	9	22	9	25	15	29	16	24	14	50
Return to work rate <sup>1</sup>	100%	100%	100%	55%	93%	67%	200%	66%	56%	36%	94%	44%	110%	81%
Retention rate	83%	90%	83%	56%	60%	96%	64%	86%	58%	76%	114%	96%	88%	208%

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

#### GRI 405-1 – Gender diversity

	FY16		FY17		FY18		FY19		FY20		FY21		FY22		FY23	
Category	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Board	73%	27%	70%	30%	67%	33%	63%	37%	75%	25%	75%	25%	71%	29%	67%	33%
ELT	78%	22%	67%	33%	67%	33%	70%	30%	67%	33%	67%	33%	60%	40%	62%	38%
Other Executives and General Managers <sup>1,5</sup>	63%	37%	66%	34%	67%	33%	74%	26%	76%	24%	77%	23%	80%	20%	—	—
Senior Managers/BLT <sup>2,5</sup>	70%	30%	62%	38%	63%	37%	45%	55%	67%	33%	62%	38%	62%	38%	66%	34%
Other Managers <sup>3,5</sup>	—	—	—	—	—	—	—	—	46%	54%	40%	60%	43%	57%	49%	51%
Our People <sup>4,5</sup>	32%	68%	33%	67%	33%	67%	36%	64%	34%	66%	32%	68%	35%	65%	32%	68%
Group	40%	60%	40%	60%	40%	60%	41%	59%	40%	60%	39%	61%	40%	60%	39%	61%

1. Other Executives and General Managers WGEA category. As of FY23 the only employees with this WGEA category are the ELT, who are in their own category.

2. Senior Managers WGEA category.

3. Other Managers WGEA category - FY20 is the first year we have reported on this category.

4. Non-manager (all other) WGEA categories.

5. The FY22 data for all categories other than the Board and ELT has been restated to align with the FY23 categories.

**GRI 405-1 – Age diversity**

Category	FY17			FY18			FY19			FY20			FY21			FY22			FY23			
	<30	30-50	50+	<30	30-50	50+	<30	30-50	50+	<30	30-50	50+	<30	30-50	50+	<30	30-50	50+	<30	30-50	50+	
Board	—	—	100%	—	—	100%	—	—	100%	—	—	100%	—	—	100%	—	—	100%	—	—	100%	
ELT	—	67%	33%	—	44%	56%	—	50%	50%	—	50%	50%	—	30%	60%	—	40%	60%	-	25%	75%	
Other Executives and General Managers <sup>1</sup>	—	86%	14%	—	78%	22%	—	68%	32%	—	69%	31%	—	46%	54%	—	55%	45%	—	—	—	
Senior Managers/BLT <sup>2</sup>	1%	85%	14%	7%	73%	20%	8%	71%	21%	1%	83%	16%	5%	69%	26%	5%	68%	27%	—	74%	26%	
Other Managers <sup>3</sup>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3%	71%	27%
Team Members <sup>4</sup>	16%	62%	21%	19%	58%	23%	21%	55%	24%	18%	58%	24%	21%	55%	25%	21%	54%	25%	19%	57%	24%	
Group	15%	65%	21%	13%	65%	22%	15%	62%	23%	14%	62%	24%	14%	60%	26%	14%	59%	27%	14%	61%	25%	

1. Other Executives and General Managers WGEA category. As of FY23 the only employees with this WGEA category are the ELT, who are in their own category.

2. Senior Managers WGEA category.

3. Other Managers WGEA category (reported since FY23).

4. Non-manager (all other) WGEA categories.

**GRI 405-2 – Percentage of remuneration from women to men**

Category <sup>1</sup>	FY18		FY19		FY20		FY21		FY22		FY23	
	Remuneration	Basic Salary										
ELT <sup>2</sup>	86	99%	95%	78%	85%	102%	104%	78%	87%	80%	88%	
Senior Leaders/BLT <sup>3</sup>	77	80%	84%	79%	83%	82%	87%	87%	89%	70%	79%	
Team Members	70	75%	77%	70%	73%	70%	73%	71%	74%	72%	75%	

1. The employment categories presented in this table are broad and incorporate a number of different roles to calculate an average ratio. Vicinity has changed the definitions of the employment categories for this indicator and therefore has reinstated all data for the past three years.

2. ELT includes all employees on the ELT excluding the CEO and Key Management Personnel (**KMP**).

3. Senior Leaders updated in FY23 to include whole BLT category as per Workday.

## Annexure B (continued)

### PEOPLE (CONTINUED)

#### GRI 404-3 – Percentage of employees who received performance reviews, by gender and by employee category

	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Male	100%	100%	100%	100%	100%	100%	100%
Female	100%	100%	100%	100%	100%	100%	100%
ELT <sup>1</sup>	100%	100%	100%	100%	100%	100%	100%
Other Executives/General Managers	—	—	—	—	—	—	—
Senior Leaders/BLT	100%	100%	100%	100%	100%	100%	100%
Other Managers	—	—	—	—	—	—	100%
Team Members	100%	100%	100%	100%	100%	100%	100%

Category	Number of fixed term and permanent employees who received performance reviews	Number of permanent employees in the category	Percentage of all employees out of permanent employees who received performance reviews	Percentage of permanent employees out of all employees who received performance reviews	Percentage of permanent employees who received performance review
<b>Total permanent employees</b>	<b>1197</b>	<b>1136</b>	<b>105%</b>	<b>95%</b>	<b>100%</b>
Male	471	447	105%	95%	100%
Female	726	689	105%	95%	100%
ELT <sup>1</sup>	6	6	100%	100%	100%
Senior Managers/BLT	87	87	100%	100%	100%
Other Managers	293	286	102%	98%	100%
Team Members	800	746	107%	93%	100%

1. Excludes the CEO and KMP. Includes other ELT members.

#### GRI 403-9 – Absentee rate for employees and internal contractors

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Absentee Rate <sup>1</sup>	1.31	1.57	1.93	1.87	1.65	1.43	1.88	2.12

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

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

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Lost Time Injury Frequency Rate <sup>1</sup>	3.31	2.40	See note 3	See note 3	See note 3	0.52	0.53	5.64
Total Recordable Injury Frequency Rate <sup>2</sup>	5.67	3.84				1.57	0.53	6.67
Fatalities	—	—				—	—	—

#### Definitions:

A Lost Time Injury (**LTI**) is an occurrence that resulted in a fatality, permanent disability or time lost from work of one day/shift or more. Medical Treatment Injury (**MTI**) is a work related injury or illness requiring or receiving medical or hospital treatment.

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

#### GRI 404-1 – Average hours of training

	Board	ELT + CEO	Other Executives/ GMs	Senior Managers/ BLT	Other Managers	Team Members	Average hours per employee
Average hours of training per employee <sup>1</sup>	—	1.79	1.07	3.14	2.76	2.37	2.81
<b>Gender</b>							
Average training hours per Male	—	1.82	1.40	1.81	2.24	2.80	2.51
Average training hours per Female	—	1.73	0.73	3.43	4.01	2.74	3.00

1. Excluding the Board.

## PLANET

### GRI 302-1, 302-3, 302-4 – Energy use

Type	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	% change from FY22
<b>Non-renewable</b>										
Grid electricity	Gigajoules	626,442	631,175	624,786	605,218	456,100	500,831	517,491	528,169	2%
Fuel combustion (natural gas, diesel and LPG)	Gigajoules	64,968	64,278	65,965	65,762	76,904	70,296	74,388	110,147	48%
<b>Renewable</b>										
Solar	Gigajoules	—	—	—	17,609	105,277	36,196	43,099	42,019	5%
<b>TOTAL</b>	<b>Gigajoules</b>	<b>691,410</b>	<b>695,452</b>	<b>690,751</b>	<b>688,588</b>	<b>638,281</b>	<b>607,323</b>	<b>634,978</b>	<b>680,335</b>	<b>8%</b>
Energy intensity	MJ/sqm <sup>3</sup>	325	311	306	300	267	254	267	284	7%

See notes below.

### GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4 – Greenhouse gas emissions

Emissions	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	% change from FY22
Scope 1	tCO <sup>2</sup> -e <sup>4</sup>	5,787	4,261	3,830	4,076	4,752	3,881	4,299	5,916	38%
Scope 2	tCO <sup>2</sup> -e <sup>4</sup>	161,398	159,191	155,859	153,318	133,043	124,067	126,041	114,479	(9%)
<b>Total Scopes 1+2</b>	<b>tCO<sup>2</sup>-e<sup>4</sup></b>	<b>167,184</b>	<b>163,451</b>	<b>159,688</b>	<b>157,394</b>	<b>137,795</b>	<b>127,949</b>	<b>130,341</b>	<b>120,395</b>	<b>(8%)</b>
Scope 3 <sup>a</sup>	tCO <sup>2</sup> -e <sup>4</sup>	57,741	54,638	277,550	279,320	251,271	232,887	231,477	313,075	(3%)
Emissions intensity (Scopes 1+2)	kg CO <sup>2</sup> -e <sup>4</sup> /sqm <sup>3</sup>	79	73	71	69	58	54	55	50	(8%)

See notes below.

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

### GRI 303-5 – Water use<sup>1</sup>

Water source	Unit	FY16 (baseline)	FY17	FY18	FY19 <sup>a</sup>	FY20	FY21	FY22	FY23	% change from FY22
Municipal water supplies	Megalitres	2,255	2,333	2,289	2,425	2,229	1,990	2,003	2,301	15%
Recycled water	Megalitres	0.11	1.73	0.40	1.20	2.70	4.00	1.88	0.00	(100%)
<b>Total water use</b>	<b>Megalitres</b>	<b>2,255</b>	<b>2,335</b>	<b>2,290</b>	<b>2,426</b>	<b>2,231</b>	<b>1,994</b>	<b>2,005</b>	<b>2,301</b>	<b>15%</b>
Water intensity	kL/sqm	1.06	1.04	1.01	1.06	0.93	0.83	0.84	0.96	14%

See notes below.

a. FY19 water intensity was misreported in the FY19 performance pack. This number was updated in the FY20 performance pack.

### GRI 306-3 – Waste generated

Disposal method	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	% change from FY22	Composition
Recycling	Tonnes	14,733	16,539	14,032	15,681	16,144	18,191	14,216	19,528	37%	42.51%
Composting - organics	Tonnes	—	—	4,151	5,128	3,837	2,260	6,583	3,586	(46%)	7.81%
Energy recovery - organics	Tonnes	—	—	2,144	2,288	1,407	446	570	290	(49%)	0.63%
Landfill	Tonnes	27,062	28,438	27,387	28,693	22,360	18,993	18,997	22,534	19%	49.05%
<b>Total waste generated</b>	<b>Tonnes</b>	<b>41,795</b>	<b>44,977</b>	<b>47,714</b>	<b>51,791</b>	<b>43,748</b>	<b>39,890</b>	<b>40,366</b>	<b>45,938</b>	<b>14%</b>	
Diversion rate	% of total waste	35%	37%	43%	45%	49%	52%	53%	51%	(2%)	

#### Notes:

1. Reporting scope is for retail assets under management.
2. Third party assurance has been undertaken for this dataset.
3. Square metres (**sqm**) refers to retail footprint – square metres of gross lettable area (**GLA**).
4. Tonnes carbon dioxide equivalent.
5. Data has been restated from the figures previously reported, based on receipt of invoices, and change in portfolio (e.g. divestment or acquisitions in the previous year).
6. For asset level data for FY23, go to 'Asset environmental data' tab.

# Annexure C



## Independent Limited Assurance Report to the Management and Directors of Vicinity Centres

### Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Vicinity Centres ('Vicinity') to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below for the year ended 30 June 2023. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

### What our review covered

We reviewed a selection of performance metrics listed below for the year ended 30 June 2023, as presented in Vicinity's Sustainability Report (Subject Matter):

Selected Performance Data	Performance Result	Selected Performance Data	Performance Result
Total scope 1 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO <sub>2</sub> -e)	5,916	Total of waste and recycling (tonnes)	45,938
Total scope 2 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO <sub>2</sub> -e)	114,479	Waste diversion rate (% recycled)	51
Total scope 3 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO <sub>2</sub> -e)	313,075	Total spent with social & indigenous businesses (\$m)	6.0
Carbon intensity: scope 1 and 2 GHG emissions – Managed portfolio (kg CO <sub>2</sub> -e/sqm)	50	Number of direct (Tier 1) suppliers (#)	1,811
Total energy consumption (GJ)	680,335	Total supplier annual spend (\$m)	743
Energy intensity – Managed portfolio (MJ/sqm)	284	Community investment (\$m)	4.5
Renewable energy consumption (MWh)	39,241	Total indigenous procurement spend (\$)	5.4
Renewable energy generation (MWh)	42,946	Employee absentee rate (%)	2.12
Progress against net zero targets – wholly owned assets (% movement in carbon intensity)	41	Loss time injury frequency rate (LTIFR)	5.64
Progress against net zero targets – wholly owned assets (% movement in energy intensity)	26	Women in leadership (%)	52
Total water consumption (ML)	2,301	Gender 40:40:20 target	39:61:0
Sqm of gross lettable area (million)	2.5	Gender pay gap	35.8

### Use of Proceeds Report

We have also performed limited assurance procedures in relation to Vicinity's Sustainable Finance Framework ('the Framework') and the associated FY23 performance data for the Vicinity Centres RE Limited as responsible entity for Vicinity Centres Trust's ('Vicinity RE') Green Bond issuance. The procedures performed were in order to conclude that nothing has come to our attention that the Use of Proceeds Report as at 30 June 2023 does not meet the reporting requirements of Vicinity's Sustainable Finance Framework and the Green Bond Principles (June 2021) published by the International Capital Market Association ('ICMA').

### Criteria applied by Vicinity

In preparing the Subject Matter, Vicinity applied the following Criteria:

- ▶ Vicinity's own criteria as set out in its publicly disclosed sustainability reporting criteria, available at: <https://www.vicinity.com.au/sustainability/reporting>.

### Key responsibilities

#### EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Vicinity's responsibility

Vicinity's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.



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### **Our approach to conducting the review**

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and the terms of reference for this engagement as agreed with Vicinity on 20 March 2023. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

### **Summary of review procedures performed**

A review consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- ▶ Assessed that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and tested assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to assess the accuracy of the data

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

### **Inherent limitations**

Procedures performed in a review 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 review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

### **Other matters**

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter. Our report does not extend to any disclosures or assertions made by Vicinity relating to future performance plans and/or strategies disclosed in Vicinity's Sustainability Report.

### **Use of our Assurance Report**

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Vicinity, or for any purpose other than that for which it was prepared.

Ernst & Young

Terence Jeyaretnam FIEAust EngExec  
Partner  
Melbourne, Australia  
24 October 2023

## Annexure D

- Diversity, Inclusion and Belonging Policy
- Environment Policy
- Health and Safety Policy



CORPORATE GOVERNANCE



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