

# Vicinity Centres Social Impact Insight Report

December 2020

# 2020 Social Impact Insight Report

Thank you for participating in the LBG benchmarking for 2020. The LBG methodology allows a company to form a reliable and holistic view of its community investment, from what is contributed, what happens and what changes as a result.

LBG is the globally recognised methodology used by hundreds of the world's leading companies to articulate and measure the positive impact they have in the world. The LBG Framework currently underpins the Community & Philanthropy question in the DJSI questionnaire, is reflected in the GRI standard and is recognised by the UN Global Compact as evidence for a company's social impact narrative to stakeholders.

LBG acts as a;

- **management tool,**
- **a private benchmark,**
- **and a network of professionals**

This report is designed to provide you with valuable benchmarking insights for program improvements. **We encourage all members to arrange to meet with us to discuss the report in more detail and highlight the opportunities it demonstrates.** The infographic page of this report acts as a summary of your results for you to use when sharing your results internally as well as a source of pointers where you could evolve your current program.

The seismic events of 2020 such as Covid-19 and the Black Lives Matter movement have accelerated stakeholder expectations for companies to play a leading role in creating a more inclusive and robust society. The 'S' in ESG has become even more important. The fact that LBG is transforming in 2021 to provide a holistic management model is timely. Based on the pillars of formulate, implement, measure, report & review businesses will be further enabled to authentically become a business for societal impact. These changes include the expanded framework, additional management tools with a new name to more accurately reflect the global reach and wider supports available - in 2021 LBG becomes ***Business for Societal Impact.***

We look forward to continuing the journey to build further value for your business and for the community for the next 25 years.

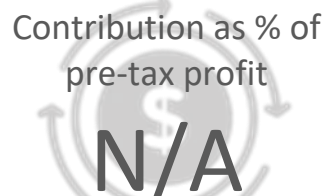
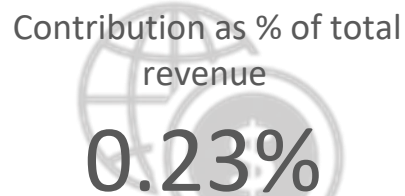
Best wishes,

Corporate Citizenship

# Vicinity Centres Social Impact Insight Report

## Where to from here?

Vicinity Centres has contributed \$2,748,312 made up of cash, volunteer time, in-kind goods or services and the management costs of running their programs. This investment in the community has resulted in the following outputs and impacts. (All \$ figures are in AUD)



<b>Inputs</b> What's Contributed?	
Cash	1,517,585
Time	18,720
In-kind	266,387
Management Costs	945,621

- Continue the strategic approach with Community investment increasing away from charitable donations
- Review mechanisms to collect all inputs including in-kind, time and management costs to ensure nothing is missed
- Remove duplicate or redundant geographies or company focus areas
- Contribution as a % of profit - aspire to 1%

<b>Outputs</b> What Happens?	
<b>336,978</b>	Total Beneficiaries
<b>2,178</b>	Supported Organisations
<b>45</b>	Employees involved
Funds Leveraged	<b>\$425,920</b>
Foregone Revenue	<b>\$2,393,491</b>

- Ensure community and business-related outputs are measured over time
- Leverage (contributions from third parties) can often be missed
- Capture your foregone revenue, remember the actual cost to business is an input and the difference between the cost and the value is foregone revenue

<b>Impacts</b> What Changes?	
<b>123</b>	positive change in behaviour/attitude
<b>131</b>	developed new skills or increased personal effectiveness
<b>91</b>	improved quality of life/wellbeing

- Consider program impacts (business and community) to achieve the full value of your investments
- Capture what is strategically aligned for your organisation
- Consider building the business case for CCI by capturing employee related data e.g. increasing or improving job related skills
- Consider building the capacity of key partners for effective impact data assessment

These high level insights are provided to Vicinity Centres to highlight opportunities to communicate good news stories or to indicate areas where further work will assist in validating programs, gain greater employee and community engagement and further value. The LBG team is available to discuss these insights in more detail.



**LBG**

CORPORATE  
CITIZENSHIP

# Contents

- 2020 Social Impact Insight Report ..... 2**
- 1. Analysing and comparing total contribution ..... 6**
  - 1a. Contribution as a percentage of pre-tax profit..... 6
  - 1b. Contribution as a percentage of total revenue ..... 6
  - 1c. Contribution per full time employee..... 6
- 2. How Vicinity Centres contributed ..... 7**
  - 2a. Contribution ..... 7
  - 2b. Benchmarked ..... 7
- 3. Why Vicinity Centres contributed ..... 8**
  - 3a. Motivation..... 8
  - 3b. Benchmarked ..... 8
- 4. What Vicinity Centres supported ..... 9**
  - 4a. LBG subject focus areas ..... 9
  - 4b. Benchmarked ..... 10
  - 4c. Vicinity Centres company specific subject focus areas ..... 11
  - 4d. Indigenous contribution..... 11
- 5. Where Vicinity Centres contributed ..... 12**
  - 5a. Geographic spend..... 12
- 6. Vicinity Centres management costs ..... 13**
  - 6a. Analysis of Vicinity Centres management costs..... 13
  - 6b. Management costs as a percentage of total contribution ..... 13
- 7. Leverage - facilitated third party contributions ..... 14**
  - 7a. Vicinity Centres leverage analysis ..... 14
- 8. Vicinity Centres employee involvement ..... 15**
- 9. LBG Australia & New Zealand headline performance ..... 16**
- 11. The LBG Network..... 17**

# 1. Analysing and comparing total contribution

The three indicators represented below enable members to make a comparison of their total contribution against their sector and the reporting members as a whole. The **global** average contribution is currently sitting at 1% of pre-tax profit, based on our most recent annual report. This year, further insights are provided in the global data.

## 1a. Contribution as a percentage of pre-tax profit



## 1b. Contribution as a percentage of total revenue



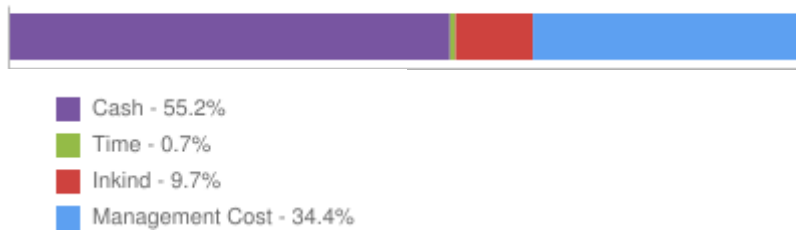
## 1c. Contribution per full time employee



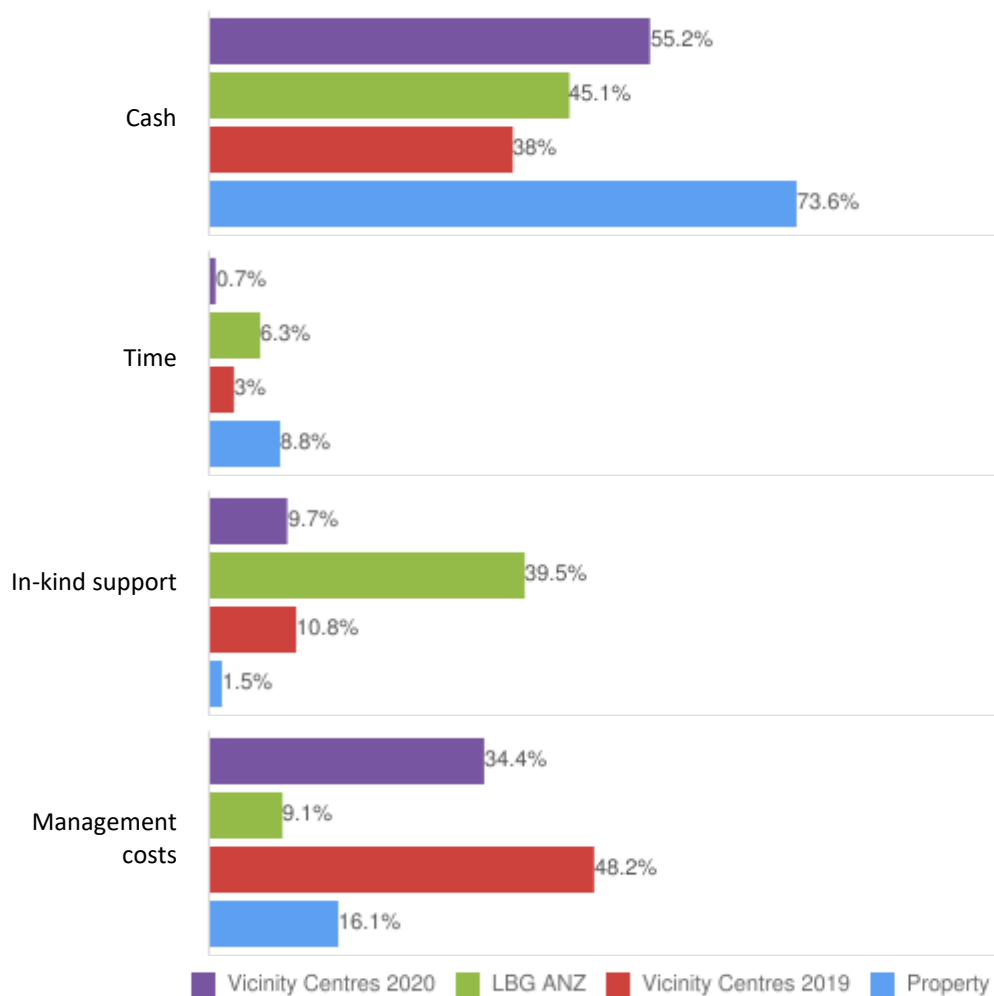
## 2. How Vicinity Centres contributed

Breakdown of cash, time, in-kind & management costs. This breakdown of figures can be used to inform management decisions about the future direction of community activity, to further understand how your community activity compares with peers and/or 'best-in-class' companies and to communicate results to key audiences.

### 2a. Contribution



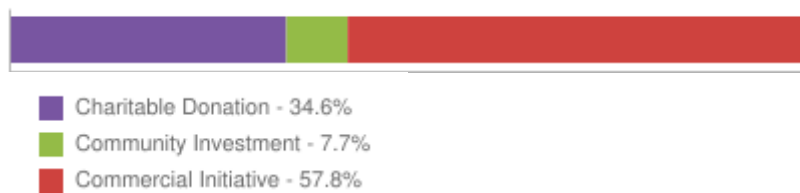
### 2b. Benchmarked



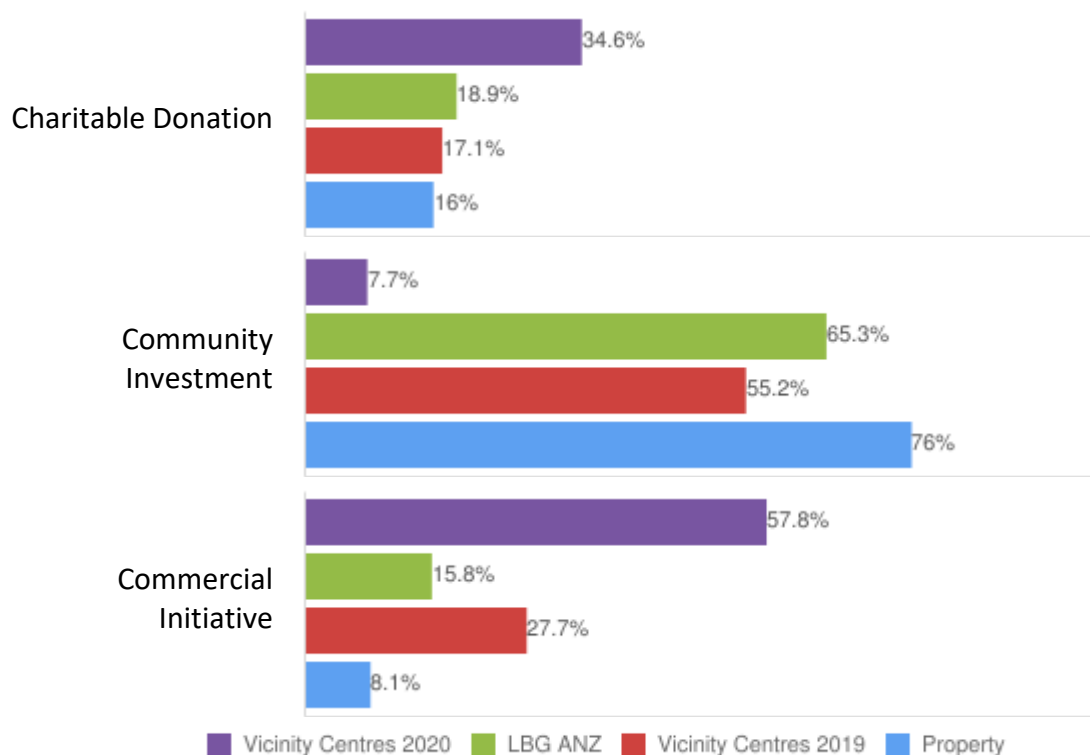
### 3. Why Vicinity Centres contributed

Motivations matter, they are what drives a company’s social investment. The LBG Framework enables community activities to be classified according to three categories of motivation. This analysis provides an indication of the strategic nature of the community programme, shows the degree to which it is aligned with wider business goals and helps companies understand the extent to which they are driving their contributions OR are being driven by external demands and circumstances.

#### 3a. Motivation



#### 3b. Benchmarked



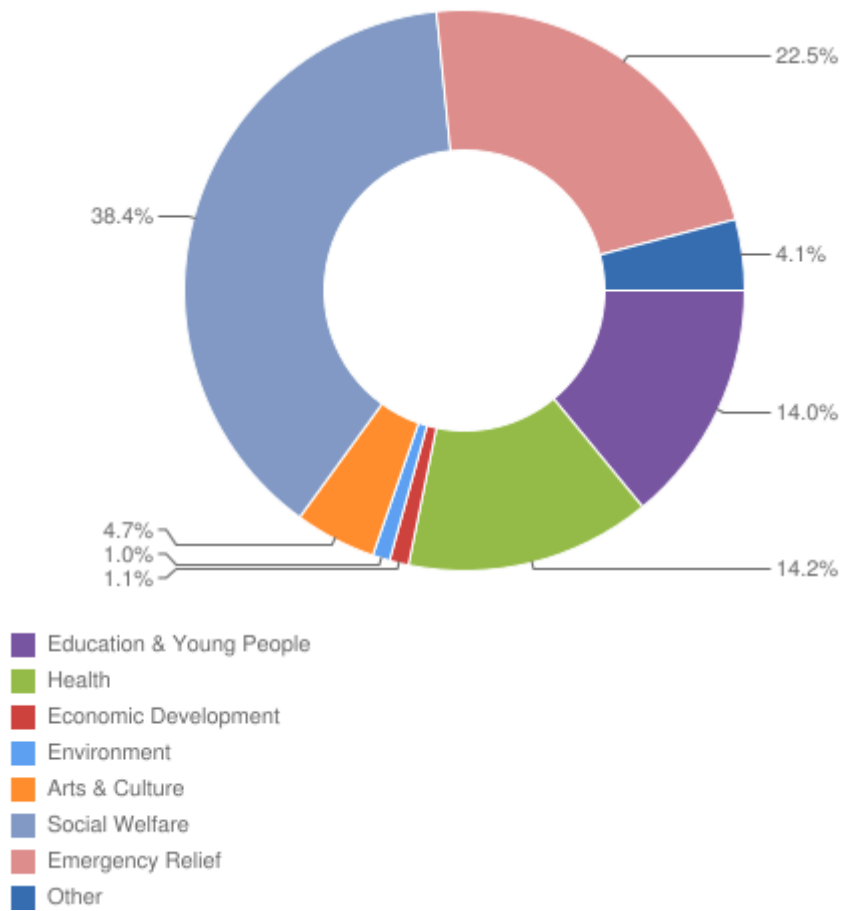


## 4. What Vicinity Centres supported

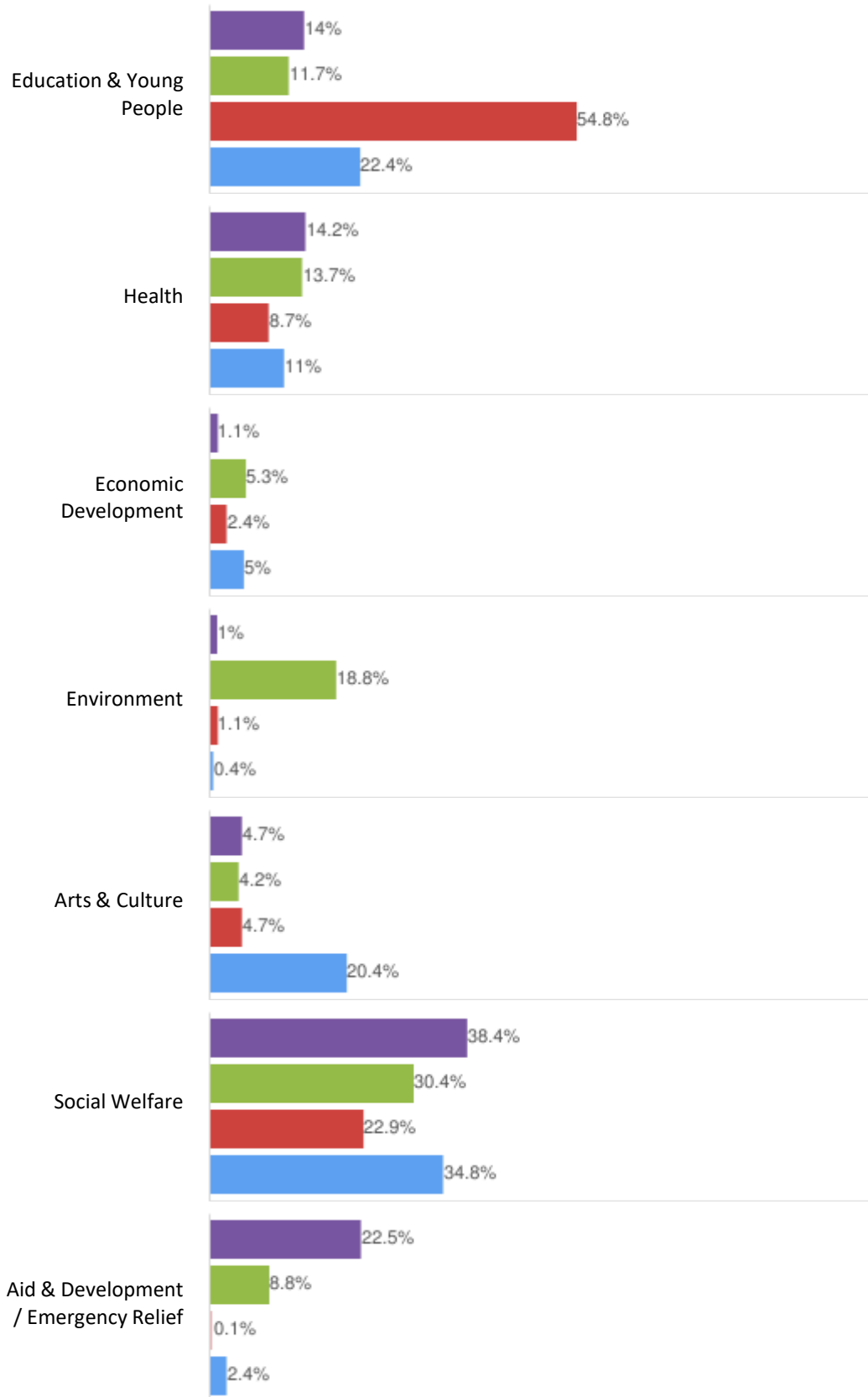
The LBG model enables businesses to build up a picture of the issues that their community contributions tackle. These are broken up in to 'LBG Subject Focus Areas' and Vicinity Centres company specific focus areas.

*The LBG Subject Focus Areas are broadly aligned to the main charitable purposes identified by national and international bodies such as the Australian and UK charities commissions and the US Internal Revenue Service.*

### 4a. LBG subject focus areas

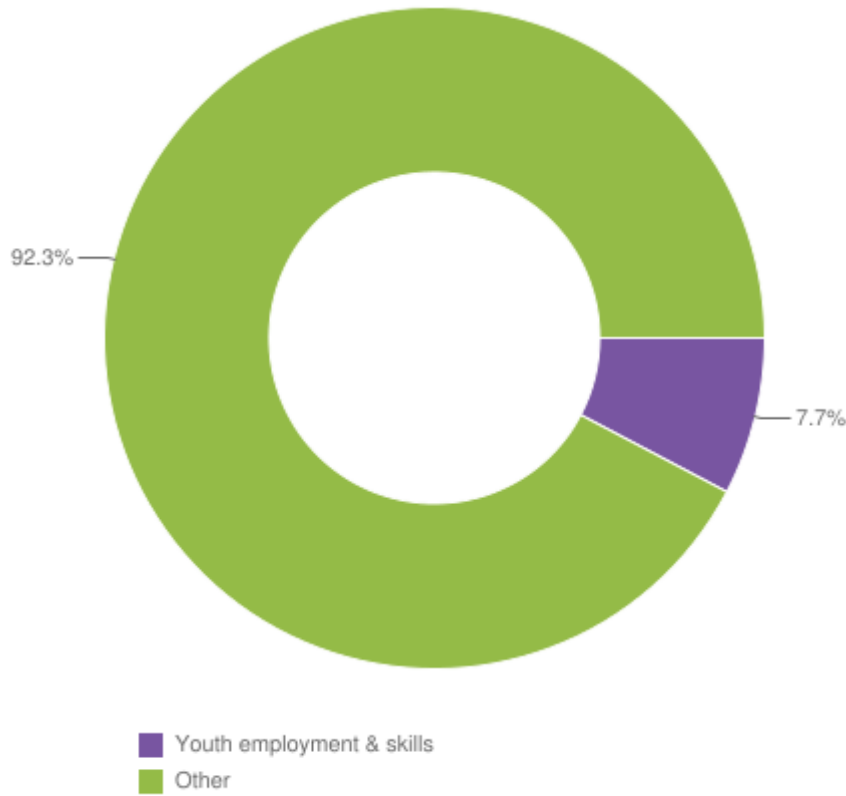


**4b. Benchmarked**

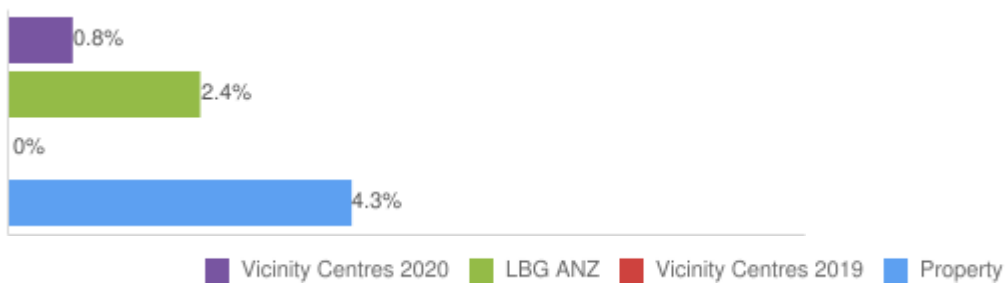




**4c. Vicinity Centres company specific subject focus areas**



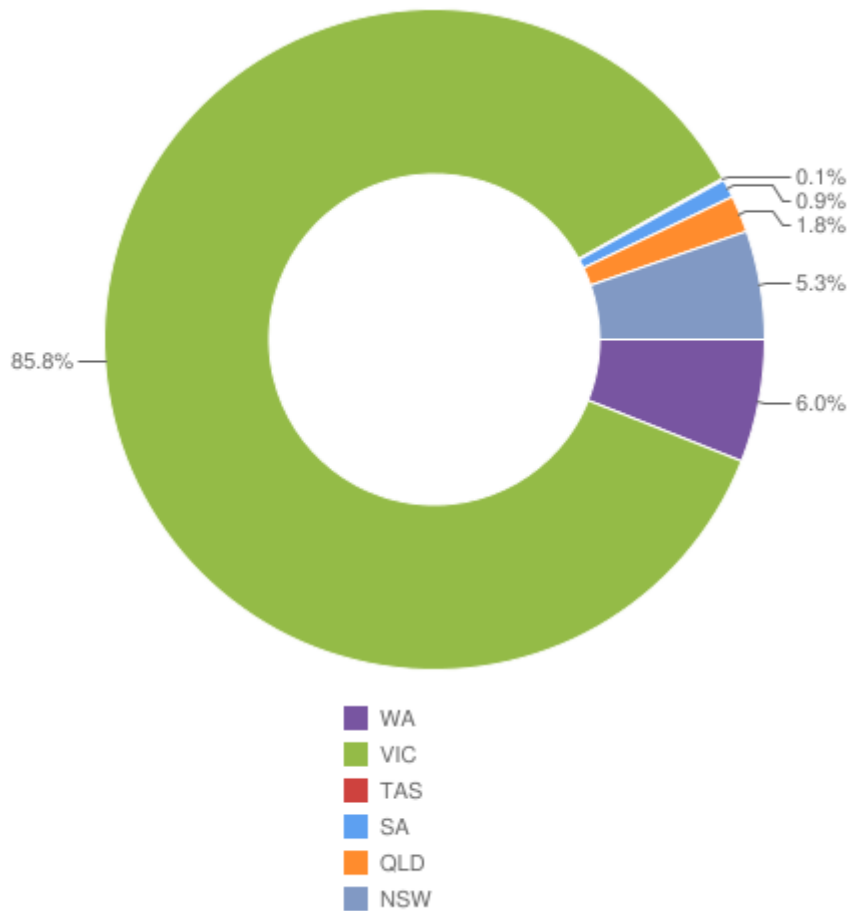
**4d. Indigenous contribution**



## 5. Where Vicinity Centres contributed

By collecting data from around its operations a business can build up a picture of the degree to which it invests in the different communities and locations in which it operates. This is particularly useful to assess the extent to which a company’s investment in the community reflects its geographic structure, i.e. is it investing in the areas in which it does business?

### 5a. Geographic spend

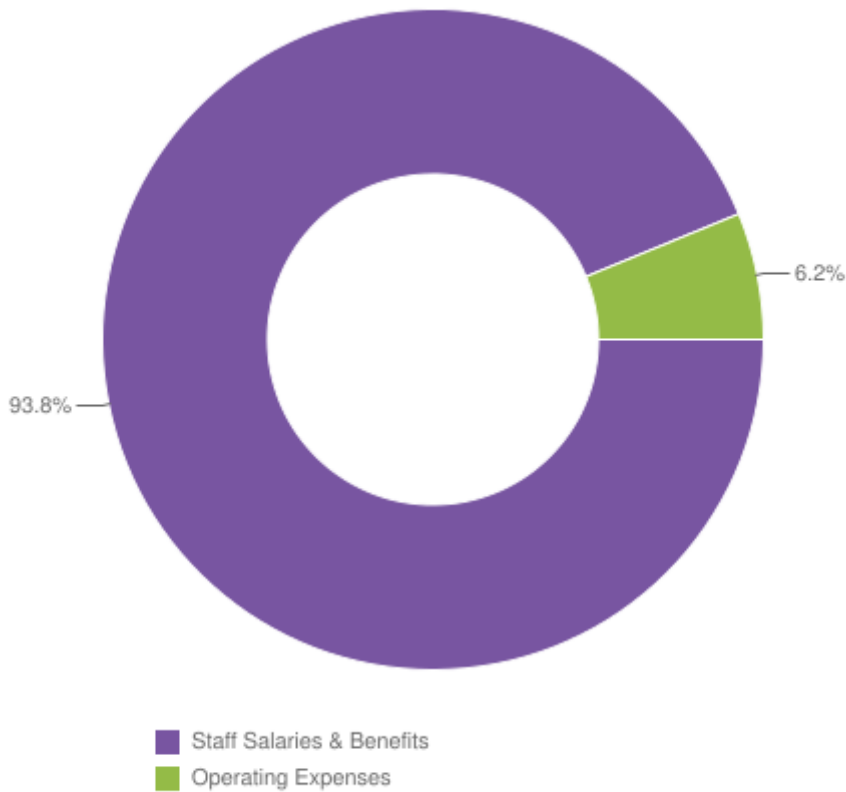


## 6. Vicinity Centres management costs

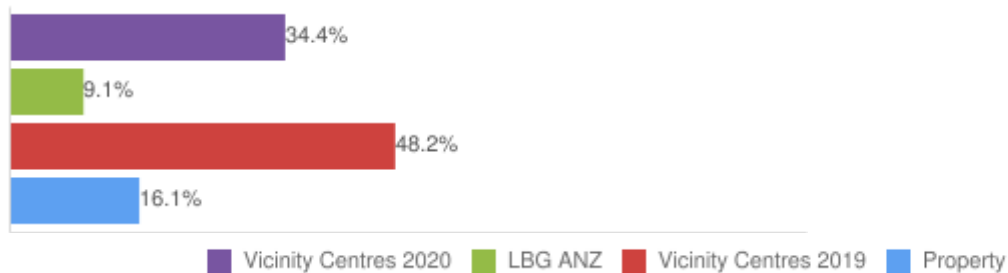
LBG provides analysis of the management overheads associated with running a community investment program. Management cost categories include:

1. Staff salaries & benefits for corporate community investment staff
2. Operating expenses including overheads, research, evaluation and other CCI resources
3. Publicity and communications of community engagement including communications costs
4. Workplace giving programs costs

### 6a. Analysis of Vicinity Centres management costs



### 6b. Management costs as a percentage of total contribution



### Number of staff dedicated to community investment

**Vicinity Centres**

8.0

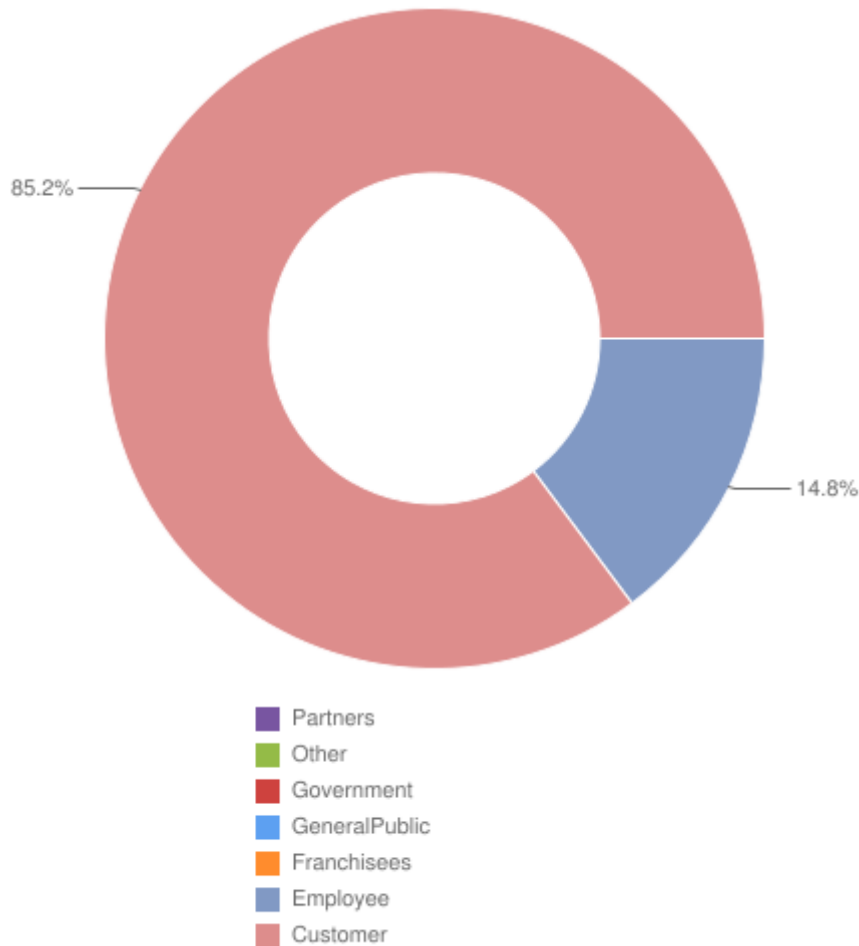
**LBG member average**

5.3

## 7. Leverage - facilitated third party contributions

Leverage is the capture of additional resources contributed to a community organization or activity that come from sources other than the company. Although these are an additional input to the supported organization, they are reported on the output side of the Framework as they result from the company’s own contribution, encouragement or support. Leverage can be made up of cash, time or in-kind contributions.

### 7a. Vicinity Centres leverage analysis



**Vicinity Centre’s leverage total**

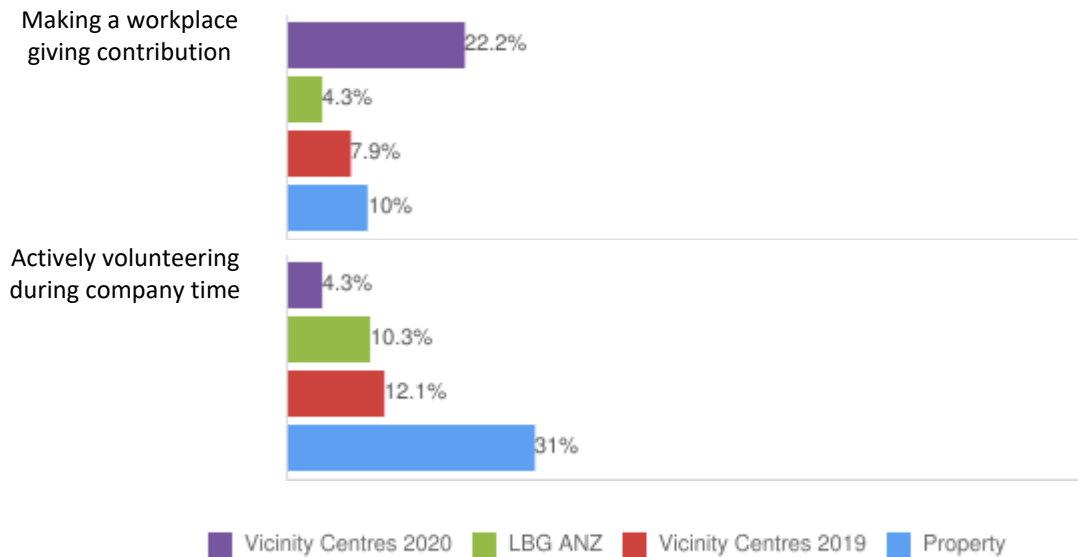
**\$425,920**

**Value of leverage compared to Vicinity Centre's total contribution**

**15%**

## 8. Vicinity Centres employee involvement

Employee involvement in a company’s social investment is an effective engagement mechanism. Employees who feel the company they work for is socially responsible, and that the company values align with their personal values, are proven to be more engaged and have higher levels of job satisfaction.



## 9. LBG Australia & New Zealand headline performance

Headline performance, LBG AU & NZ	2020 AUD \$	2019 AUD\$	2018 AUD\$
Total contributions reported	\$374,898,969	\$307,500,394	\$279,746,608
Contributions per employee	\$923	\$1,105	\$1,063
Total contributions as a percentage of pre-tax profit	1.00%	0.79%	0.72%
Total contributions as a percentage of revenue	0.14%	0.18%	0.18%
Average % of employees volunteering in paid time	25.7%	15.6%	15.3%
Total leverage reported	\$87,039,868	\$71,520,329	\$77,303,352

## 10. Vicinity Centres community contribution snapshot

2020 community contribution	2020 AUD\$	2019 AUD\$
<b>Total community contribution</b>	<b>2,748,312.25</b>	<b>1,260,214.93</b>
Total Revenue	1,216,300,000	1,286,500,000
Pre tax profit or EBITDA	0	346,100,000
Company FTE	1,040	1,009
FTE dedicated to CCI	8	2
Estimated % of data captured	100	100
Cash	1,517,585	478,821
Time	18,720	38,129
In-kind	266,387	135,688
Management Costs	945,621	607,577
Charitable Donations	622,901	111,353
Community Investment	138,665	360,561
Commercial Initiative	1,041,125	180,724
Leverage (facilitated third party contributions)	425,920	384,579



## 11. The LBG Network

The LBG network represents companies from across many sectors and geographies. This is reflected in the composition of Steering Group members, who advise and counsel on developments and direction. Their involvement enshrines the view of the practitioner in the delivery of LBG’s objectives.

*\*Members did not participate in 2020 benchmarking*

<p><b>Consumer Goods</b></p> <p>AkzoNobel Decorative Paints UK Bettys &amp; Taylors of Harrogate Coca-Cola Amatil Coca-Cola European Partners Coca-Cola South Pacific* Diageo H&amp;H Group Japan Tobacco JT International SA JTI UK (Gallaher) Lion Pty Ltd Philip Morris Int. Management SA Reckitt Benckiser</p> <p><b>Engineering and Manufacturing</b></p> <p>BAE Systems RHI Magnesita Rolls-Royce plc Siemens Stora Enso Oyj</p> <p><b>Financial Services</b></p> <p>ANZ Aviva Banco BCI Barclays Bupa Bupa Australia Deutsche Bank Generali GMHBA HSBC Intesa Sanpaolo Investec plc Lloyds Banking Group M&amp;G plc Maybank Medibank</p>	<p>National Australia Bank Ltd NN Group Provident Financial Group Prudential plc QBE Insurance Group Ltd RBS Refinitiv RSA Group Schroders Standard Chartered Standard Life Aberdeen St James’s Place Suncorp UBS UniCredit Virgin Money Zurich Community Trust Zurich International</p> <p><b>Legal</b></p> <p>Freshfields Bruckhaus Deringer Linklaters</p> <p><b>Media</b></p> <p>Australian Turf Club Liberty Global Europe Pearson RELX Group Tabcorp Holdings Ltd</p> <p><b>Pharmaceutical</b></p> <p>AstraZeneca Pfizer</p> <p><b>Professional Services</b></p> <p>Accenture Experian John Villiers Trust KPMG PwC</p>	<p><b>Property, Construction, Housing &amp; Facilities</b></p> <p>BAM Construct UK Berkeley Group British Land Cadogan Estates Dexus Ferrovial Hammerson Intu Properties plc JLL Mirvac Pty Ltd Shaftesbury plc Stockland Tideway Unite Students Vicinity – Federation Centres Willmott Dixon</p> <p><b>Retail</b></p> <p>Asda Coles Falabella Inditex Jéronimo Martins KingfisherSouthern Co-op The Co-operative Group Walgreens Boots Alliance Woolworths Group Ltd</p> <p><b>Sports</b></p> <p>Carlton Football Club Hawthorn Football Club*</p> <p><b>Technology and Telecoms</b></p> <p>ARM BT Fujitsu Australia NBN Co Nokia</p>	<p>Sage Singtel STMicroelectronics</p> <p><b>Travel and Hospitality</b></p> <p>Amadeus Australia Pacific Airports Corporation Brisbane Airport Corporation* Australian Rail Track Corporation Gatwick Airport Keolis Downer (Yarra Trams)* London City Airport PPHE Sydney Airport Corporation Ltd Transurban</p> <p><b>Utilities and Services</b></p> <p>AGL Anglian Water Australia Post Beach Energy Boskalis Deutsche Post DHL Group DP World EDP Galp Energia Jemena National Grid plc New Zealand Post Northern Power Grid NSW Ports SGN Southern Water Thames Water United Utilities Woodside Energy Ltd</p>
---	---	--	---

# Contact details

## Simon Robinson – Director

E: [Simon.Robinson@corporate-citizenship.com](mailto:Simon.Robinson@corporate-citizenship.com)

T: +61 (0) 3 8639 0548

W: [www.corporate-citizenship.com](http://www.corporate-citizenship.com)

Twitter: @CCitizenship

LinkedIn: <https://www.linkedin.com/company/corporate-citizenship>

## Jennifer Saunders – Associate Director

E: [Jennifer.Saunders@corporate-citizenship.com](mailto:Jennifer.Saunders@corporate-citizenship.com)

T: +61 (0) 3 8639 0548

W: [www.corporate-citizenship.com](http://www.corporate-citizenship.com)

Twitter: @CCitizenship

LinkedIn: <https://www.linkedin.com/company/corporate-citizenship>

## Tara James – Senior Consultant

E: [Tara.James@corporate-citizenship.com](mailto:Tara.James@corporate-citizenship.com)

T: +61 (0) 3 8639 0548

W: [www.corporate-citizenship.com](http://www.corporate-citizenship.com)

Twitter: @CCitizenship

LinkedIn: <https://www.linkedin.com/company/corporate-citizenship>