

Sustainability Reporting Criteria

Annual Report & Sustainability Website

The Sustainability Reporting Criteria sets out the principles, scope and methodologies applied when reporting Vicinity's Sustainability performance data.

This data is reported in our public disclosures in our Annual Report and Sustainability Website, [Vicinity Unwrapped: Our Sustainability Story](#).

1. Reporting principles

- 1.1. **Materiality** – we report data on all Sustainability matters deemed material to our organisation. Vicinity's materiality assessment identifies and prioritises matters that are important to our business and our stakeholders.
- 1.2. **Completeness, transparent, meaningful** – Sustainability metrics are presented in a complete, transparent, consistent and meaningful manner, and any variations to our standard approach are specified otherwise.
- 1.3. **Consistent** – boundaries and methodologies are maintained wherever possible to allow comparisons over time.
- 1.4. **Independent assurance** – of key data and metrics is undertaken each reporting period, and this is explicitly stated in each relevant disclosure where applicable.
- 1.5. **Reporting period** – the specific reporting period data is defined and disclosed in every report.

2. Reporting scope

- 2.1. **Asset list** – For environmental data, we will report on all assets associated with our core retail management business for which we have operational control (i.e. does not include offices). Please refer to section 5 for an asset list. For social sustainability data, coverage includes all employees and internal contractors working at Vicinity's head office in Chadstone, interstate corporate offices and centre management offices.
- 2.2. **Reported data** – typically our Sustainability dataset includes are:
 - a) **Scope 1 emissions** – natural gas, diesel (non-transport), and fugitive emissions from use of refrigerants (as determined by NGER Measurement Determination)
 - b) **Scope 2 emissions (location-based)** – electricity (supplied by the grid and onsite-solar generation)
 - c) **Scope 3 emissions** – waste to landfill, business travel (air), and distribution and transmission emissions from electricity, and natural gas.
 - d) **Energy** – consumed from sources such as natural gas, electricity, renewable energy such as solar panels and diesel, reported separately into base building and tenant energy consumption.
 - e) **Renewable energy** – energy produced/consumed/exported from onsite renewable energy sources such as solar, reported separately into base building and tenant energy consumption, where applicable
 - f) **Waste** – operational waste and disposal method, either recovered /recycled or sent to landfill. The secondary diversion of general waste sent to energy recovery facilities is not defined as recycling and excluded, unless specified otherwise.
 - g) **Water** – consumption of mains water for whole building.
 - h) **Workforce statistics** - our Human Resources Information System (HRIS) *Workday* tracks and manages our people data to generate statistics such as number of employees and internal contractors, new hires, turnover, return to work and retention rates after parental leave, diversity, remuneration and training and development
 - i) **Employee Absenteeism rate** – Data is extracted from payroll and workday systems (see h above).
 - j) **Health, safety and wellbeing data** – our Health and Safety Management System manages and reports injury performance statistics such as injury rates and fatalities.
 - k) **Community investment** - Vicinity uses the Business for Societal Impact, formerly London Benchmarking Group (LBG) as a framework for capturing and reporting our community investment data, including statistics such as cash, in-kind, time, management costs, leverage, and foregone revenue.
 - l) **Supply chain** – Vicinity reports new suppliers assessed against environmental, labour practice and human rights criteria, spend with social enterprises and Indigenous businesses and corresponding hours worked.
 - m) **Social Procurement and Indigenous Procurement** – Vicinity defines social procurement as using purchasing power

to achieve social outcomes beyond products and services through buying via a social enterprise. Vicinity considers social enterprises to be organisations that are driven by a public or community cause, be it social, environmental, cultural or economic; derive most of their income from trade, not donations or grants, and use the majority (at least 50%) of their profits to work towards their social mission. Vicinity uses Supply Nation's definition of an Indigenous enterprise – that is, businesses that are 50% or more Aboriginal or Torres Strait Islander owned, generate revenue from the provision of goods or services, and are either a sole trading business / partnership / incorporated entity or business limited by guarantee (social enterprise) or trading through a trust. Procurement spend data is derived directly from JDE, the corporate accounting system. Spend is based on invoices, excluding GST. Prior year spend is re-adjusted during the next financial year reporting to account for any outstanding invoices paid for work completed in prior year.

- n) **Women in Leadership** – Our Women in Leadership data is categorised and calculated based on Workplace Gender Equality Agency (WGEA) reporting guidance.
- o) **Indicators** – gross lettable retail area (GLA)

2.3. Exclusions – some emission/energy sources are deemed immaterial to our reporting, or have been excluded due to inability to report. Sources are deemed not material where they meet the 'incidental' requirements set out in the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (NGER (Measurement) Determination) (r 1.03 NGER Regulations). Some of the specific sources are minor operational fuels and gases, construction and demolition waste, and operational waste managed directly by major tenants.

2.4. Historical data – includes historical periods for monitoring ongoing performance of each data source. We will report historical data where available.

3. Methodology

3.1. Environmental data management system – our environmental data is primarily managed within our environmental data management system. Processes are integrated into this data management system for analysing and validating our data.

3.2. Source data

- a) **Primary sources** – all primary environmental data sources for the report are primarily derived from supplier invoices and actual measurement, unless otherwise stated
- b) **Estimations** – all efforts are made to capture a complete set of actual data, however some gaps are unavoidable. In the event where an estimate has been required to form a formulated, a clear and consistent methodology is employed using historical trends, and is validated through our assurance process. The level of estimates is disclosed and verified throughout the assurance process
- c) **Validation and verification** – invoice data undergoes varying levels of systematic checks and validations prior to being reported.

3.3. Calculations

- a) **Coefficients and factors** – Any conversions and calculations are based on recognised standards either international or national based referenced sources, such as:
 - i) National Greenhouse and Energy Reporting (NGER) Measurement Determination,
 - ii) National Greenhouse Accounts (NGA) Factors, and
 - iii) Waste density factors – we report actual weights for the majority of our waste but if unavailable we use density factors based on our own data which is revised on an annual basis to ensure our reported data reflects the current waste composition. Industry standards are used where data isn't available.
 - iv) business travel (air) - emissions are provided by our business travel booking partner FSC Travel, who prepare the data based on research conducted by 'Cleaner Climate' based on sources from DEFRA (Department for Environment Food and Rural Affairs), Oxford University and the UK Royal Commission on Environmental Pollution.
- b) **Avoided costs** – The cumulative energy, water and waste savings are calculated on a centre by centre basis, and are conservatively calculated based on accumulated savings and current tariff rates.
- c) **Re-statement methodology** – all efforts are made to report on a complete and accurate dataset, however due to reporting timelines, unavailable or revised source data, we will make restatements of historical values from time to time to ensure the most accurate performance information for our organisation is reported.

- d) **Conversions** – the real-life comparisons we use to demonstrate our performance are aligned to the GRESB real estate assessment 2016 report to ensure consistency with other publicly reported data. The conversion factors used are
- i) Average house uses 5.8 megawatt hours (MWh) electricity per annum
 - ii) Average car emits 4.6 tonnes greenhouse gas emissions (CO₂-e) per annum
 - iii) Average waste transport truck capacity is 9 tonnes per truck
 - iv) It takes around 17 trees to produce one tonne of paper/paper towel

3.4. Key Performance Indicators

- a) **Gross lettable area (GLA)** – is our primary performance normalising denominator, which has been selected as the most relevant to measure the environmental efficiency of our core business and operations
- i) The source of GLA data is managed and externally assured as part of our reporting process,
 - ii) GLA is measured using Property Council of Australia Methods of Measurement guidelines, and for the purpose of environmental performance reporting includes all retail stores and office tenancies contained within the boundary of the shopping centre. Exclusions are carpark areas, Casual Mall Lease areas and storage, and ATM sites
 - iii) GLA is reported as an average throughout the year to capture the changes to centre over the reporting period.
- b) **Intensity metrics** – for managed assets Scope 1, 2 and 3 emissions, energy, water and waste are normalising by the GLA of each asset to give a metric per square metre. For intensity figures reported as part of our Net Zero Target, relating to our 100% owned assets only, divested assets are excluded from the calculation. Our Net Zero 2016 baseline is also readjusted based on divested assets for the comparative period.
- c) **Like for like or ‘comparable’ reporting** – is used to show a true comparison year-on-year and is aligned to the GRESB standard for like-for-like reporting. This includes considerations such as:
- i) Development affected centres – if classified as undergoing new construction or major renovations are excluded from like-for-like reporting, if affected in the reporting and comparison period, and
 - ii) New / sold assets – are excluded within the reporting and comparison period
- d) **National Australian Built Environment Rating Scheme (NABERS)** – NABERS energy and water ratings for centres and our portfolio average rating, are calculated in accordance with NABERS guidelines and are reported through the official NABERS Sustainable Portfolios Reporting initiative on NABERS [website](#).
- e) **Workforce statistics** – reported as employees and internal contractors by gender, contract type (permanent, casual, fixed term), employment type (full-time and part-time) and by region are prepared using the Global Reporting Initiative (GRI) Standards indicator GRI 102-8.
- f) **Diversity** – bA per Women in Leadership, breakdown of data is categorised and calculated based on Workplace Gender Equality Agency (WGEA) reporting guidance.
- g) **Health and wellbeing** – Health and wellbeing data is reported using the GRI Standards indicator 403-2, and includes the absentee rate, defined as the percentage of days lost as a result of absences by employees during the reporting period. Absentee rate is calculated by personal leave taken divided by yearly contracted hours. Casual workers and terminated employees are excluded from this calculation as they are not eligible for leave.
- h) **Occupational Health and Safety** – is reported using the indicator Lost-time injuries frequency rate (LTIFR), which refers to any work-related injury that results in the company employee not able to return to work the next day. The LTIFR is number of lost-time injuries per million hours worked.
- i) **New hires and turnover** – Total number and percentage of new hires and turnover are reported using GRI Standards indicator GRI 401-1.
- j) **Return to work rate** – Calculated based on the number of employees that took parental leave, and the number of employees who returned to work after parental leave ended, using GRI Standards indicator GRI 401-3.
- k) **Training and development** – average hours of training per employee and the percentage of employees receiving regular performance or career development reviews by employee category, using GRI Standards indicators 404-1 and 404-3, respectively.
- l) **Remuneration** – Ratio of basic salary and remuneration of women to men by employee category, using GRI Standards indicator 405-2.
- m) **Community investment spend** – reported as cash, time, in-kind, management costs and leverage across the Vicinity corporate offices and retail portfolio, using the Business for Societal Impact (formerly LBG) framework.
- n) **Supply chain** – The number and percentage of new suppliers assessed against environmental and social impacts,

using GRI Standards indicators 308-1 and 414-1, respectively. Human rights indicators include operations that have been subject to human rights reviews or impact assessments (using GRI 412-1) and significant investment agreements and contracts that include human rights clauses or that underwent human rights screening (GRI 412-3). Vicinity also captures our procurement spend with social enterprises and Indigenous businesses and corresponding hours of work provided at our centres and offices.

4. Quality assurance and independent verification

- 4.1. Limited Assurance** - the information, processes and methodologies for reported data are assured by a third party across all reporting periods to ensure independent verification and accuracy of data at a limited level of assurance.
- 4.2. Assurance scope** - A selection of our most material sustainability performance metrics has received Limited Assurance from KPMG for the current reporting period. The selection of data included in the scope of KPMG's assurance is noted in their assurance statement.

5. Asset list & reporting scope

The following asset list defines the specific reporting scope for each sustainability reporting framework and discloses where exclusions have been made.

Centre	State	VCX equity	Comments	Reporting Framework	
				Operational Control (NGER)	Annual Report & Sustainability website (GRI)
Altona Gate	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Armidale Central	NSW	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bankstown Central	NSW	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bayside	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Box Hill Central (North Precinct)	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Box Hill Central (South Precinct)	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Broadmeadows	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Buranda Village	QLD	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Carlingford Court	NSW	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Castle Plaza	SA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chadstone	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chatswood Chase	NSW	51%	Sold 50% in May 2018 Asset swap with GIC - Divested 49% in 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Colonnades	SA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cranbourne Park	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Brisbane	QLD	100%	Acquired June 2016	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Essendon	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Homebush	NSW	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Moorabbin	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO South Wharf	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Perth	WA	50%	Opened October 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DFO Uni Hill	VIC	50%	Acquired April 2020	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Dianella Plaza	WA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Eastlands	TAS	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Elizabeth	SA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ellenbrook Central	WA	100%	Acquired December 2015 New Construction Project (July 2020)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Emporium Melbourne	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Galleria	WA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Grand Plaza	QLD	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Gympie Central	QLD	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Halls Head Central	WA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Karratha City	WA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Kurrallta Central	SA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lake Haven	NSW	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Livingston Marketplace	WA	100%	Acquired December 2015	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Maddington Central	WA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mandurah Forum	WA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Midland Gate	WA	0%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mildura Central	VIC	0%	No longer under Vicinity management March 2021	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Milton Village	QLD	100%	Sold June 2021	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mornington Central	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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Centre	State	VCX equity	Comments	Reporting Framework	
				Operational Control (NGER)	Annual Report & Sustainability website (GRI)
Mount Pleasant	QLD	0%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Myer Brisbane	QLD	25%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Nepean Village	NSW	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Northgate	TAS	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Northland	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Oakleigh Central	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Queen Victoria Building	NSW	50%	Acquired May 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Queens Plaza	QLD	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Riverside Plaza	NSW	0%	No longer under Vicinity management October 2020	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rockingham	WA	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Roselands	NSW	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Roxburgh Park	VIC	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Runaway Bay	QLD	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sunshine Marketplace	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Taigum Square	QLD	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Galleries	NSW	50%	Acquired May 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Glen	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Strand Arcade	NSW	50%	Acquired May 2018	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Victoria Gardens Shopping Centre	VIC	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Victoria Park Central	WA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Warriewood Square	NSW	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Warwick Grove	WA	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Whitsunday Plaza	QLD	100%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sydney Corporate Office - MLC	NSW	0%		<input checked="" type="checkbox"/>	NC
Chadstone National Office	VIC	50%		<input checked="" type="checkbox"/>	NC
Perth State Office – Subiaco	WA	0%		<input checked="" type="checkbox"/>	NC
Adelaide State Office – Adelaide	SA	0%		<input checked="" type="checkbox"/>	NC
Hotel Chadstone	VIC	50%	Opened November 2019	NC	NC
Myer Bourke	VIC	33%		NC	NC

NC denotes non-core asset, which has been excluded in some reporting instances.