IN OUR WORLD Engaging with our stakeholders

Our business is a people business. We recognise that our customers, employees, communities, and investors play an important part in our purpose to *Reimagine Urban Life*.

Understanding and meeting our stakeholders' needs, both now and into the future, is what helps to ensure the sustainability of Mirvac. There is great alignment between the interests and values of our business and stakeholders, which is an endorsement of our connection with them. With a materiality refresh of our sustainability strategy being undertaken in FY18, our goal will be to focus on the areas where we can deliver maximum value to all the people who matter in our business.

Customers

We know our customers. We take the time to engage with, listen to, and collaborate with our customers as a competitive point of difference.

In FY17, we launched our sustainable lifestyles index, to help us better understand the needs and wants of our residential customers. The survey was piloted at Harold Park and Elizabeth Hills in Sydney, and the insights gained from this will inform the design of future projects, as well as support programs and events to help build connections in new communities.

We also undertake:

- research to help our residents live better. We understand that it isn't just about upfront affordability when purchasing a home; it's also the ongoing costs. In FY17 we had a particular focus on solar energy and batteries with the view of enabling lower emissions and energy bills;
- customer satisfaction surveys to measure our quality of service so we can continue to improve;
- launch events and initiatives to encourage community co-creation, such as our first One Planet Living Community at Marrick & Co in Marrickville; and
- publications like The Right Place magazine that seek to engage residents and potential buyers on lifestyle and sustainability in a way that is both appealing and relevant.

For our corporate and retail tenants, quality property management services is a key part of our value proposition. This means we undertake a wide range of activities to engage with the occupants in a way that supports their businesses, including:

- delivering market leading and sustainable assets, like the EY Centre at 200 George Street, Sydney, which was recognised with Australia's first gold WELL certification for human health and well-being
- our tenant liaison centre, tenant workshops and face-to-face meetings, including regular building management meetings;
- Bin Trim assessments to help our tenants reduce waste and associated costs;
- implementing green leases that provide a collaborative framework for engagement and improving sustainability performance for both Mirvac and our tenants;
- running sustainability events such as Earth Hour and smart building tours at 200 George Street (also available to office visitors)
- retailer events and information nights, monthly retailer newsletters and a retailer support program, Drive by Mirvac Group.

Employees

Our people are one of our biggest competitive advantages, so it matters that we attract, sustainably engage, and retain top talent by creating a great place to work. We track employee engagement through an annual survey, and in FY17 we achieved an overall employee engagement score of 88 per cent in the Willis Towers Watson's engagement survey, placing us above the global high performing norm, the survey's highest external benchmark.

Other ways we engage with our employees to continue to create a positive work environment include:

- providing a safe, flexible and inclusive work environment supported by a wide range of initiatives. Our employee assistance and manager assist programs provide free counselling to employees and their families
- embedding flexibility through a Flexibility Charter (part of our Diversity & Inclusion strategy) and IT enablement through our Transforming The Way We Work program, both of which help our people to have balance and to manage their work and life in a way that suits them and their families;
- encouraging our staff to give back through initiatives such as the annual national community day where Mirvac employees volunteer, and providing opportunities for employees to donate cash and goods to The Smith Family, for example through the Share campaign, which facilitates donations of suits and shoes;
- providing offices that promote health and wellbeing for our staff. This is achieved through a range of initiatives, as well as regular seminars on health topics, such as the importance of sleep and eating well for top performance;
- inductions that welcome new employees with a positive experience, as well as site tours to help them better understand our business and a buddy to provide ongoing support;

- the opportunity to receive ongoing training throughout their career, including access to an online learning academy where employees can enhance their interpersonal, leadership or practical skills;
- Mirvac Stars, the Group's reward and recognition program;
- our innovation program, Hatch, which encourages our employees to contribute on ways to improve our business and the experience of our customers;
- a refreshed employee benefits hub, offering our employees discounts on goods and services.

88%

employee engagement score in the Willis Towers Watson's engagement survey

Communities

Community is at the heart of our strategy to Reimagine Urban Life. We recognise that creating communities is not just about the physical built form, it's about the people and the connections.

Our National Community Day

700

employees volunteer

More than ever, it is essential to have a social licence to operate. Our mission to enrich the communities in which we operate means we need to look at how we can enhance health and wellbeing and social inclusion. In FY17, we launched our social return on investment (SROI) impact assessment to quantify the impact we have on community across a range of metrics (including employment and physical activity). As well as showing us what we do well, the SROI impact assessment will help us to better understand the areas where we need to improve. Some of the highlights in our engagement with communities during the financial year included:

- developing and launching our first Reconciliation Action Plan that reflects on both our business and the needs of the Indigenous communities with which we engage;
- developing a community framework and community charters at our developments and assets to ensure consistency;
- collaborating with the YWCA to deliver a social enterprise café at Mirvac HQ;
- providing support structures and events to help build connections and improve the experience of new residents settling into our residential communities, including community events, meet the neighbour events and community liaison officers;
- encouraging our employees to give, through our Giving at Mirvac program. This includes donations matching and workplace giving, a volunteering hub with two paid days of volunteering per year, and in-kind donations;
- our annual national community day, which saw over 700 employees volunteer to support local charities across 47 sites;
- the provision of community facilities, such as play centres (Rhodes Waterside, Broadway Sydney, Stanhope Village) and community centres (Tramsheds, Orion Springfield Central); and
- community support through sponsorships and partnerships with local council (Blacktown Leisure Centre, Orion Lagoon), local schools and sporting clubs (Drummoyne Water).

Suppliers

With a procurement spend of over $1.6 billion, the impact we can have through our supply chain is considerable. Ensuring the integrity and sustainability of our materials is of vital importance to us, and that's why we are a founding member of and support initiatives such as the Sustainability Supply Chain School and Social Trader – Connect.

$1.6bn

procurement spend

In FY17, our construction team undertook a sustainability risk assessment to better understand where the risks and opportunities in our supply chain lie. The outcomes of the assessment will be fed back into our procurement process to ensure we take a more proactive stance in supply chain risk mitigation. We also continue to drive change through:

- the Sustainability Supply Chain School, which helps educate suppliers online;
- site visits and inductions for our construction staff and other suppliers;
- our Work Safe, Stay Safe program, promoting safety on construction sites;
- our Open Line facility, providing a confidential way of reporting any concerns of unethical behaviour;
- our sustainability survey for suppliers and vendor code of conduct; and
- identifying opportunities for social enterprises within our supply chain through initiatives such as Connect, Australia's first service dedicated to linking social enterprise to government and corporate contracts.

Government and Industry

From our advocacy efforts to active participation in working groups, we believe that by working with government and industry we can help create a better built environment that benefits our communities. That is why we:

- actively encourage best practice through participation with Better Building Partnership, the Green Building Council of Australia, LGB Australia and New Zealand, Responsible Construction Leadership Group (RCLG) and the Property Council of Australia (PCA);
- provide transparent and open disclosure through our annual report, including reporting our sustainability performance;
- have representation on the PCA Male Champions of Change committee; and
- undertake targeted engagement on specific initiatives and legislative issues, such as zero-carbon buildings and the proposed Modern Slavery Act.

Visitors

Our retail centres attract millions of visitors each year and we appreciate that people visit our centres for a multitude of reasons, such as having a place to socialise and feel like part of the community. Recognising this, our engagement with our visitors continues to evolve to ensure we can continue to meet the needs of the communities we are part of:

- facilitating social interaction, meeting places, and the provision of community space for local groups including Mums & Co, kids clubs and walking groups, at no charge;
- supporting charity collections for The Smith Family and Mums & Co
- providing community services such as free regular access to a Justice of the Peace in all of our centres;
- activities to recognise and celebrate community and multicultural holidays and events such as Diwali, Lunar New Year, NAIDOC week and Mardi Gras;
- unique activities to support customer engagement, for instance the Fusion Fest at Broadway Sydney and the annual Zombie Charity Walk at Orion Springfield Central;
- promoting inclusiveness through initiatives for special-needs customers, such as the Sensory Santa photos and adult change tables;
- social media and digital platforms providing information on what's happening in our centres;
- multiple feedback platforms including print, online, social, mobile and bi-monthly mystery shopper activities; and
- our "Hello Sydney" and the 'Shopper Hopper' tourist programs for domestic and international visitors.

supporting charity collections for The Smith Family and Mums & Co

Investors

Our investors are increasingly recognising the need to understand and actively manage environmental, social, governance (ESG) factors in order to assure their portfolios for the long term.

Our engagement with investors is based on open and transparent disclosure of our sustainability performance, legislative risks and opportunities. This year, our sustainability report forms part of the annual report, highlighting our commitment to sustainability as part of the way we conduct our business. We also support initiatives like the UN Principles for Responsible Investment, and sustainability indices such as Global Real Estate Sustainability Benchmark (GRESB) and the Dow Jones Sustainability Index to assist investors in understanding the value our sustainability strategy brings to our business.

- Other ways in which we engage with investors include:
- our Investor Relations team who have one-on-one with investors, our Investor Relations website, and Investor roadshows;
- participation in working groups, including the Investor Group on Climate Change (IGCC); and
- participation in industry conferences and forums.