

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Mirvac Group (MGR) formed by the stapling of securities of Mirvac Limited and Mirvac Property Trust

ABN/ARBN

Mirvac Limited: 92 003 280 699

Mirvac Property Trust: 29 769 181 534

Financial year ended

30 June 2018

Our Corporate Governance Statement² for the above period above can be found at:³

✓ this URL on our website: www.mirvac.com/About/Corporate-Governance

The Corporate Governance Statement is accurate and up to date as at 9 August 2018 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 9 August 2018

Name of Director or Secretary
authorising lodgement: Sean Ward

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ✓ at this location: Principle 1, section (a) of the Corporate Governance Statement AND Board Charter at: www.mirvac.com/About/Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement AND ✓ at this location: in our Notice of AGM at: groupir.mirvac.com/page/ASX_Announcements (the 2018 Notice of AGM will be available from mid October 2018)	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement AND ✓ at this location: in our Remuneration Report, which is contained in the Directors' report in the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and	... the fact that we have a diversity policy that complies with paragraph (a): ✓ in our Corporate Governance Statement ... and a copy of our diversity policy or a summary of it: ✓ at this location: www.mirvac.com/About/Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ✓ in our Corporate Governance Statement ... and the information referred to in paragraph (c)(1) or (2): ✓ in our Corporate Governance Statement AND ✓ at this location: www.mirvac.com/About/News/WGEA-Annual-Compliance-Report-2018	
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ✓ in our Corporate Governance Statement ... and the information referred to in paragraph (b): ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ✓ in our Corporate Governance Statement ... and the information referred to in paragraph (b): ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u> (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement ... and a copy of the charter of the committee: ✓ at this location: www.mirvac.com/About/Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement AND ✓ at this location: in our Directors' report, which is contained in the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	... our board skills matrix: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: ✓ in our Corporate Governance Statement ... where applicable, the information referred to in paragraph (b): ✓ in our Corporate Governance Statement ... the length of service of each director: ✓ in our Corporate Governance Statement AND ✓ at this location: www.mirvac.com/About/Our-Team/Board-Members	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ✓ in our Corporate Governance Statement AND ✓ at this location: www.mirvac.com/About/Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u>	... the fact that we have an audit committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement ... and a copy of the charter of the committee: ✓ at this location (Audit, Risk & Compliance Committee): www.mirvac.com/About/Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement AND ✓ at this location: in our Directors' report, which is contained in the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ✓ in our Corporate Governance Statement AND ✓ at this location: www.mirvac.com/About/Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: ✓ at these locations: www.mirvac.com www.mirvac.com/About/Corporate-Governance groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u> (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ✓ in our Corporate Governance Statement ... and a copy of the charter of the committee: ✓ at this location (Audit, Risk & Compliance Committee): www.mirvac.com/About/Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement AND ✓ at this location: in our Directors' report, which is contained in the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ✓ in our Corporate Governance Statement ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is	... how our internal audit function is structured and what role it performs: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	structured and what role it performs; <u>OR</u> (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.		
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ✓ in our Corporate Governance Statement AND ✓ at this location: in the Sustainability section of the Mirvac website at: www.mirvac.com/Sustainability/Overview AND in the Sustainability section of the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u> (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement ... and a copy of the charter of the committee: ✓ at this location (Human Resources Committee): www.mirvac.com/About/Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement AND ✓ at this location: in our Directors' report, which is contained in the 2018 Annual Report at: groupir.mirvac.com	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	... our policy on this issue or a summary of it: ✓ in our Corporate Governance Statement	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

2018 CORPORATE GOVERNANCE STATEMENT

Mirvac Group — Reimagine Urban Life



Corporate governance statement

Introduction

Mirvac comprises Mirvac Limited and its controlled entities, which includes Mirvac Property Trust and its controlled entities. The shares in Mirvac Limited are stapled to units in Mirvac Property Trust, and the stapled securities are listed on the Australian Securities Exchange (ASX) as the Mirvac Group (Mirvac" or "Group).

Mirvac is committed to ensuring that its systems, procedures and practices reflect high standards of corporate governance. The Directors believe that a strong corporate governance framework is critical in fostering a culture that values ethical behaviour, integrity and respect, to protect securityholders' and other stakeholders' interests at all times.

During the financial year ended 30 June 2018 (FY18), Mirvac's corporate governance framework was consistent with the third edition of the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council in 2014 (Recommendations). The Appendix 4G lodged with the ASX indicates whether specific Recommendations are dealt with in this Corporate governance statement or on the Mirvac website, or a combination of both. In accordance with the Recommendations, this Corporate governance statement and copies or summaries of the Group policies referred to in it are published on Mirvac's website: www.mirvac.com/about/corporate-governance and www.mirvac.com.

This Corporate governance statement was approved by the Board of Mirvac (Board) and is current as at 9 August 2018 in accordance with ASX Listing Rule 4.10.3.

References to the "Annual Report" are to Mirvac's 2018 Annual Report lodged with the ASX on 9 August 2018.

Governance documents available on the Mirvac website

The governance documents referred to in this Corporate governance statement that are available in full or in summary on Mirvac's website are set out below: www.mirvac.com/about/corporate-governance, www.mirvac.com and groupir.mirvac.com.

PRINCIPLE 1:

Lay solid foundations for management and oversight

- Mirvac Limited Constitution
- Mirvac Property Trust (MPT) Consolidated Constitution
- Board Charter
- Diversity & Inclusion Policy
- 2017/2018 Workplace Gender Equality Agency report

PRINCIPLE 2:

Structure the board to add value

- Board Charter
- Audit, Risk & Compliance Committee Charter
- Human Resources Committee Charter
- Nomination Committee Charter

PRINCIPLE 3:

Act ethically and responsibly

- Code of Conduct
- summary of Fraud, Bribery and Corruption Policy
- Open Line Policy
- Privacy Policy
- Conflicts of Interest and Related Party Transactions Policy
- Security Trading Policy
- Minimum Securityholding Policy

PRINCIPLE 4:

Safeguard integrity in corporate reporting

- Audit, Risk & Compliance Committee Charter
- Policy on Non-Audit Services Provided by the Independent External Auditors
- Tax Governance Statement
- annual reports and sustainability reports

PRINCIPLE 5:

Make timely and balanced disclosure

- Continuous Disclosure and External Communications Policy
- ASX announcements

PRINCIPLE 6:

Respect the rights of securityholders

- Direct Voting Rules
- ASX announcements
- notices of annual general meetings (AGM)
- annual reports and sustainability reports

PRINCIPLE 7:

Recognise and manage risk

- Audit, Risk & Compliance Committee Charter
- Risk Management Policy
- annual reports and sustainability reports

PRINCIPLE 8:

Remunerate fairly and responsibly

- Human Resources Committee Charter
- Security Trading Policy
- annual reports

Corporate governance statement

PRINCIPLE 1:

Lay solid foundations for management and oversight

1.1 Responsibilities of the Board and management

Role of the Board

The primary role of the Board is to provide strategic guidance to the Group and effective oversight of management to build long-term value for securityholders. The Board does this by setting the Group's strategic direction and context, such as Mirvac's vision and values, and focusing on issues critical for the successful delivery of Mirvac's strategy such as people, financial performance and management of risk. The Board is also responsible for overseeing Mirvac's corporate governance framework. In performing its role, the Board has regard to other stakeholder interests and an appropriate risk and return framework in accordance with the risk appetite it sets for the Group.

The Chief Executive Officer & Managing Director (CEO/MD) provides transparent and comprehensive reports on Mirvac's performance and related matters to the Board at each Board meeting. The Chief Financial Officer (CFO) also provides transparent and comprehensive reports on Mirvac's financial performance, debt and gearing position and the status of financing facilities. The Board monitors the decisions and actions of the CEO/MD, the direct reports of the CEO/MD, and the performance of the Group as a whole, to gain assurance that progress is being made towards the attainment of the approved strategies and plans. The Board also monitors the performance of the Group through its Board committees.

Board Charter

To promote high standards of corporate governance and to clarify the role and responsibilities of the Board, the Board has formalised its roles and responsibilities in a Board Charter. A copy of the Board Charter is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

Under the Board Charter, the key responsibilities of the Board include:

- setting the strategic direction of the Group;
- approving operational and financial performance targets and monitoring their achievement;
- appointing and reviewing the performance, remuneration and succession planning of the CEO/MD;
- appointing the Chair of the Board;
- monitoring the performance of senior management;
- approving major capital expenditure, acquisitions and divestments;
- monitoring significant business risks and the adequacy, appropriateness and operation of risk management controls and frameworks;
- overseeing the integrity of the Group's accounting and corporate reporting systems, including appointing or removing the Group's external auditors;
- overseeing the Group's relationship and communications with securityholders;
- approving and monitoring the effectiveness of the Group's system of corporate governance; and
- determining the Group's dividend and distribution policies and the amount, nature and timing of such dividends and distributions.

Non-Executive Directors spend approximately 25 to 30 days each year on Board activities and business, including attendance at Board meetings, Board committee meetings, strategy and budget meetings with management, visits to sites (including interstate) and meetings with Mirvac stakeholders. During FY18, the Board visited each of the Mirvac offices and a selection of sites in Sydney, Melbourne, Brisbane and Perth.

The Non-Executive Directors by themselves, and the Board as a whole, meet regularly without the presence of management to discuss the operation of the Board and a range of other matters.

Subject to prior consultation with the Chair or CEO/MD, the Board Charter provides that the Board collectively, and each Director individually, has the right to seek independent professional advice as they consider necessary to fulfil their responsibilities and permit independent judgement in decision making, at the expense of Mirvac.

Board committees

The Board has established the following standing Board committees:

- Audit, Risk & Compliance Committee (ARCC);
- Human Resources Committee (HRC); and
- Nomination Committee.

Each standing Board committee has a formal Charter approved by the Board setting out the matters relevant to the composition, terms of reference, process and administration of that Board committee. Details of the role, responsibilities and composition of the standing Board committees are contained elsewhere in this Corporate governance statement.

The Board may establish special purpose committees as required. Membership and terms of reference of these committees are determined as needed by the Board. No special purpose committee meetings were held during FY18.

All Directors are encouraged to attend meetings of the Board committees. Proceedings of each Board committee meeting are reported by the committee Chair at the subsequent Board meeting. Each committee is entitled to the resources and information it requires to discharge its responsibilities, including direct access to senior executives, employees and advisors as needed. Minutes of all Board committee meetings are provided to the Board.

Delegations of authority

The Board delegates responsibility for the day-to-day management and administration of the Group to the CEO/MD and management committees, including the Executive Leadership Team and Investment Committee. The CEO/MD and other senior executives of the Group operate in accordance with Board-approved policies and the Board Delegations of Authority to Management.

Executive Leadership Team (ELT)

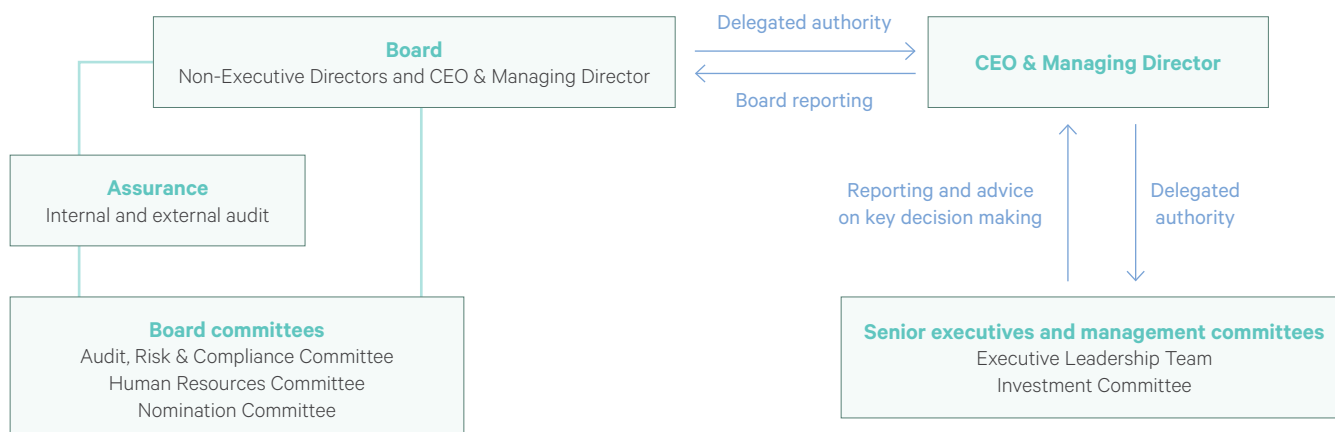
The ELT assists the CEO/MD in the day-to-day management and administration of Mirvac. The ELT Charter sets out the ELT's role, responsibilities and delegated authority from the Board via the CEO/MD. The ELT's membership currently comprises the CEO/MD, CFO, Chief Investment Officer (CIO), Head of Culture & Reputation, Head of Stakeholder Relations, Head of Office & Industrial, Head of Retail and Head of Residential. The registers of decisions made by the ELT are provided to the Board.

Investment Committee (IC)

The IC assists the CEO/MD in the capital allocation process of Mirvac. The IC Charter sets out the IC's role, responsibilities and delegated authority from the Board via the CEO/MD. The IC's membership currently comprises the CFO, CIO and certain other members of the ELT and senior management. The registers of decisions made by the IC are provided to the Board.

Corporate governance statement

The Board governance structure is set out below:



Board meeting attendance

Details of Board meeting attendance of the Directors for FY18 are contained in the following table:

	Number of Board meetings attended in FY18 while a member	Number of Board meetings held in FY18 while a member
Director		
John Mulcahy (Chair)	13	13
Susan Lloyd-Hurwitz	13	13
Christine Bartlett	13	13
Peter Hawkins	13	13
James M. Millar AM	13	13
Samantha Mostyn	12	13
John Peters	13	13
Elana Rubin	13	13

1.2 Appointment of new Directors

The Nomination Committee is responsible for the Board's succession planning by seeking to ensure that the Board (and any relevant subsidiary board) is comprised of individual Directors best able to discharge their responsibilities having regard to the law and excellence in governance standards.

The Nomination Committee continually assesses the Board's collective skills and experience to provide strategic guidance and effective oversight of management and create long-term value for securityholders. In its succession planning, the Nomination Committee monitors the market for potential future Board candidates who possess the skills and experience that may need to be filled upon the retirement of a Director, or that the Board views as desirable to remain current or effectively discharge its duties.

The Nomination Committee recognises that the mix of skills, experience and diversity will change from time to time as Mirvac's business and environment changes. If a change to the Board is considered necessary, the Nomination Committee manages the process of identifying, reviewing and recommending preferred Director candidates to the Board.

A key component of the Board renewal and selection process is ensuring succession plans are in place for Directors, including for the Chair and CEO/MD. Succession planning activities consider the strategic priorities and direction of the Group and the skills, experience and expertise are likely to be needed on the Board in the future.

Thorough background checks are undertaken before a new candidate is appointed to the Board as a Director. This includes checks as to the person's character, experience, education, criminal record and bankruptcy history.

The notices of meeting and explanatory notes for the 2018 Annual General Meeting of Mirvac Limited and General Meeting of Mirvac Property Trust (together, the 2018 AGM) will contain all of the information set out in Recommendation 1.2 of the Recommendations in relation to each Director standing for election or re-election, including their biographical details, details of other material directorships, the Director's independence and a statement by the Board as to whether it supports their election or re-election.

1.3 Written agreements with Directors and senior executives

Mirvac has a written agreement in place with each Director which sets out the terms of their appointment and includes each of the matters listed in the commentary to Recommendation 1.3 of the Recommendations (such as the time commitment envisaged, remuneration arrangements, the requirement to disclose Directors' interests and comply with key corporate policies, indemnity and insurance arrangements, and confidentiality obligations).

All senior executives, including the CEO/MD, have their position descriptions, roles and responsibilities set out in writing, either in their employment contract or as part of Mirvac's performance management system.

In accordance with the ASX Listing Rules, Mirvac has disclosed the material terms of any employment, service or consultancy agreement it has entered into with the CEO/MD and any other Director (or their related parties), or any material variation to such agreement.

Corporate governance statement

1.4 Company Secretary

The Board has appointed a Company Secretary who is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. Each Director communicates directly with the Company Secretary and vice versa. The role of the Company Secretary includes:

- advising the Board and its committees on governance matters;
- monitoring that Board and committee policies and procedures are followed;
- coordinating the timely completion and despatch of Board and committee papers;
- ensuring that the business at Board and committee meetings is accurately reflected in the minutes; and
- facilitating the induction and professional development of Directors.

1.5 Board and Director performance evaluation

The Board undertakes an annual assessment and review of its performance, with at least every second annual review being conducted with the assistance of an external consultant. The review process includes an assessment of the performance of the Board, the Board committees and each individual Director, with the results presented to the Board.

The Chair also seeks feedback on the performance of the Board and Directors from the CEO/MD and other members of the ELT by way of surveys and interviews. Feedback is also sought on the Chair's performance.

The Chair provides transparent performance feedback to the Board, the Board committees and each individual Director, based on the discussions and surveys conducted.

The Board performance review for FY18 was an internally conducted review with input from management, and identified that the Board continues to function effectively. The results were shared with the full Board in June 2018. To further enhance its stewardship of the Group in the year ahead, the Board will increase its focus on technology, design, and Mirvac's relationships with its customers, suppliers, capital partners and government.

1.6 Senior executive performance evaluation

The performance of senior executives is reviewed on an annual cycle, with an interim six-monthly review as part of Mirvac's performance management system. The performance management system comprises a series of key performance indicators (KPIs) which are aligned to Mirvac's strategic objectives. Performance is measured against the agreed KPIs and against consistency of senior executives' behaviour against the Mirvac corporate values.

On an annual basis, the Chair and the Board review the performance of the CEO/MD, following a review by the HRC. The CEO/MD is assessed against qualitative and quantitative criteria, including profit performance of Mirvac and achievement of other measures, including safety performance and alignment of Group performance to strategic objectives. In turn, the CEO/MD reviews the performance of her direct reports against their agreed KPIs, and their performance outcome is reviewed by the HRC.

Performance review activities were undertaken for FY18 in accordance with the above processes.

Further information on performance evaluation and remuneration (including assessment criteria) is set out in the Remuneration report starting on page 51 of the Annual Report.

1.7 Diversity and Inclusion

Diversity & Inclusion Policy

Mirvac has adopted, and is fully compliant with, Recommendation 1.5 of the Recommendations. Mirvac's Diversity & Inclusion Policy can be found on the website at: www.mirvac.com/about/corporate-governance.

Mirvac's Diversity and Inclusion vision is to "build a diverse team and inclusive culture that values the diversity of perspectives and enables our people to safely contribute; realise their potential; respond to our stakeholders' needs; and provide Mirvac with a competitive advantage". To achieve this vision, Mirvac has a Diversity & Inclusion strategy comprising four key focus areas:

Focus area	Outcome
Diversity of thought	A culture that honours the individual and supports diversity of thought will underpin innovation and our capacity to identify and adapt to change.
Inclusive culture	Foster a safe and respectful environment that seeks, cultivates and leverages the views of a demographically diverse workforce, by reflecting inclusion in our values and building inclusive leadership.
Flexibility	Develop innovative approaches to work arrangements that enable our employees to achieve better work/life quality and differentiate Mirvac in the battle for talent.
Gender balance	Continue our initiatives to reduce bias and provide equal opportunity for females to contribute and progress their careers at Mirvac. Drive participation in industry advocacy to improve gender representation within the broader property sector.

The Board has committed to measurable gender diversity targets and reports on progress each year and is responsible for the regular review of diversity related activities.

The Board has appointed the Chair, John Mulcahy, as the diversity program sponsor. The CEO/MD, Susan Lloyd-Hurwitz, chairs the Mirvac Diversity and Inclusion Council. The Council is made up of representatives across the business and meets quarterly to review metrics, progress against the strategy and consider future initiatives.

Gender balance

During FY18, Mirvac continued to pursue improved gender equality outcomes by requiring 50:50 gender balance on shortlists for senior appointments, achieved a zero per cent pay gap for like-for-like roles for the second consecutive year, and assessed gender as part of talent and succession planning.

Mirvac's Chair, John Mulcahy, continues to actively participate in the Property Male Champions of Change (PMCC) group. He is currently working with PMCC on ways to retain and promote female talent more effectively across the property industry. Mirvac will continue to support the work of the PMCC to drive continued gender equality within the property sector.

In August 2017, Mirvac launched ASPIRE, a women's development program for the Construction team to build the talent pool and increase the number of women in management positions. This program includes targeted skills development, attendance at networking events, working with a business sponsor and participation in Mirvac's Discovery Program where participants spend a few days shadowing an alternate role on site or in head office. With 32 participants from across the country, this program will help Mirvac to grow its own female talent.

Corporate governance statement

In December 2017, Mirvac launched a new Shared Care Parental Leave Policy. The aim of the new policy is to provide support to both female and male employees wishing to take parental leave as well as supporting their transition back to work. This is an industry leading policy which offers employees:

- 20 weeks paid parental leave;
- four weeks paid partner leave;
- superannuation paid on periods of paid and unpaid leave up to 12 months;
- flexibility in how paid leave is taken (for example leave does not have to be taken in one block of time);
- 10 days Special Paid Leave to support employees during instances of pregnancy related illness or if the pregnancy ends other than by the birth of a living child; and
- paid parental leave which can now be taken up to 18 months after the birth or adoption of the child (previously 12 months) to encourage and support males in taking paid parental leave.

In 2018, Mirvac received the “Employer of Choice for Gender Equality” citation from the Workplace Gender Equality Agency (WGEA) for the fourth consecutive year. This citation, which was only awarded to 120 organisations, highlights Mirvac’s commitment to encouraging, recognising and promoting active commitment to achieving gender equality.

Mirvac’s 2018 employee engagement survey results show that 94 per cent of employees say that “Mircac management supports diversity in the workplace”.

Domestic and Family Violence Leave Policy

In 2016, Mirvac introduced a Domestic and Family Violence Leave Policy and other support initiatives for employees who are directly affected by domestic and family violence. Mirvac is also proud to partner with YWCA NSW who operate a “profit-for-purpose” café at Mirvac’s 200 George Street, Sydney headquarters, with 100 per cent of the profits to be used to fund support services for domestic violence and homelessness for disadvantaged women and their families in New South Wales.

In March 2018, Mirvac was announced as a White Ribbon accredited workplace in recognition of the active steps it is taking to stop violence against women, and meeting standards to create a safer and more respectful workplace. As part of the accreditation process, several initiatives have been undertaken, including risk assessments, policy and procedure

updates, continuous improvement planning, and training and education for employees and the Board. Mirvac will hold the accreditation for three years and during that time, will work towards the targets set out in the White Ribbon three-year operating plan, to continue to embed the White Ribbon ethos at Mirvac.

Flexibility

Mirvac has continued to focus on enhancing workplace flexibility and supporting its people to achieve better work/life quality.

In 2016, the Building Balance Program was launched to increase workplace flexibility and improve the balance between work and personal commitments for the Construction team. As part of the Building Balance program, an initiative called “My Simple Thing” was piloted across the Construction team in early 2016. This pilot asked employees to think about a simple change that will improve their work/life quality. Site-based teams were empowered to develop an action plan where team members supported each other’s personal goals, while ensuring project requirements and milestones are achieved.

The “My Simple Thing” initiative was launched in 2016 across the rest of the business. Pleasingly, Mirvac’s 2018 engagement survey showed that 75 per cent of employees now have some type of flexible work arrangement in place.

Inclusion

Creating an inclusive culture is one of the four focus areas of Mirvac’s Diversity & Inclusion strategy. Over the past two years, several activities have been undertaken:

- in 2016, Mirvac partnered with CareerTrackers to place three Indigenous interns as part of Mirvac’s intern program. Mirvac has continued to participate in this program and nine Indigenous interns have participated to date;
- in 2017, Mirvac partnered with CareerSeekers, an organisation which offers employment opportunities for refugees and asylum seekers. Mirvac placed two CareerSeekers interns in the Construction team and both have since accepted permanent roles;
- inclusion principles are built into Mirvac’s Leadership Success Profiles as a minimum expectation of all leaders; and
- workshops have been delivered to further support inclusivity and diversity of thought, and to help leaders understand the importance of different preferences and work styles.

Proportion of female employees

In line with the Diversity & Inclusion Policy, the table below outlines Mirvac’s female representation targets, and progress against achievement of these targets:

	Measurable objective		Actuals		
	2018 target (%)	2022 target (%)	FY16 (%)	FY17 (%)	FY18 (%)
Female representation on Board	40 – 60	40:40:20	50	50	50
Female representation in senior executive positions	36 – 40	40:40:20	31	39	40
Female representation in the workplace	40 – 45	40:40:20	40	41	41

Female representation in senior executive positions is defined as a senior management position up to one reporting level below the ELT (or CEO-2).

In 2018, Mirvac amended the targets relating to female representation on the Board, in senior executive positions and in management positions to 40 per cent women, 40 per cent men and 20 per cent discretionary to be reached by 2022. This change was implemented to support inclusiveness and follows the PMCC gender targets.

Mirvac has lodged its 2017/2018 WGEA report containing the Gender Equality Indicators, and a copy is available on the website at: <https://www.mirvac.com/About/News/WGEA-Annual-Compliance-Report-2018>.

A copy will also be published by the WGEA on their website (under Mirvac Projects Pty Ltd) at: www.wgea.gov.au/report/public-reports.

Corporate governance statement

PRINCIPLE 2:

Structure the board to add value

2.1 Size, structure and tenure of the Board

Together, the Board members have a broad range of financial and other skills, experience and expertise required to effectively oversee Mirvac's business. The Board currently comprises seven Non-Executive Directors and one Executive Director (being the CEO/MD). The Chair of the Board, John Mulcahy, is an independent Non-Executive Director.

The skills, experience and expertise of each Director are set out on pages 44 and 45 of the Annual Report. The Board determines its size and composition within the limits imposed by Mirvac's Constitutions, which provide that there be a minimum of three and a maximum of 10 Directors (or a number less than 10 determined by the Directors).

The Board Charter provides that the Board will comprise:

- a majority of independent Non-Executive Directors;
- Directors with an appropriate range of skills, experience and expertise from a diverse range of backgrounds;
- Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business; and
- Directors who can effectively review and challenge the performance of management and exercise independent judgement.

Director period of office and independence status

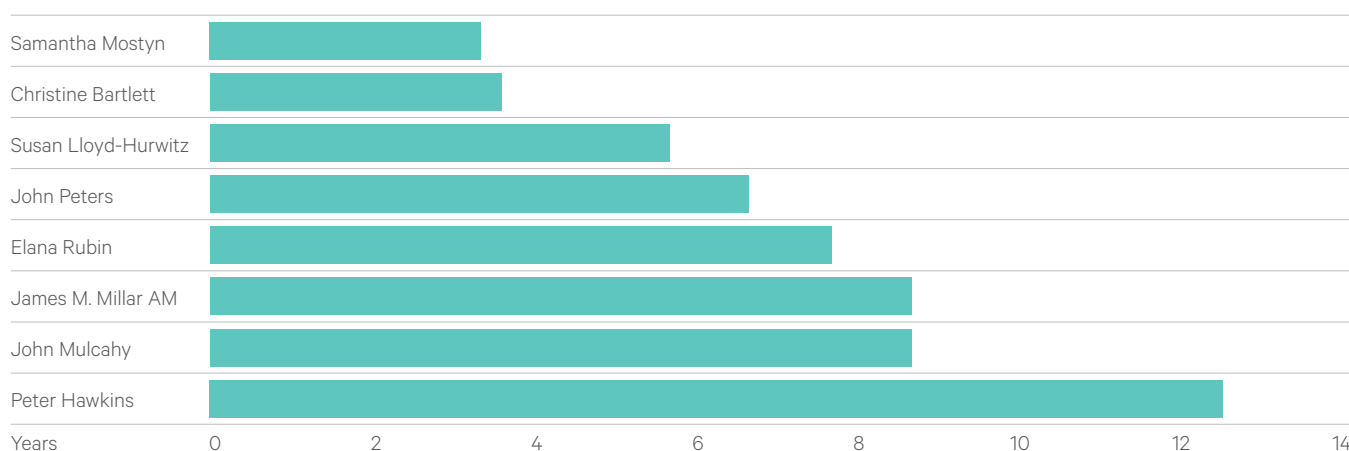
The period of office held by each current Director, and the independence status of each Director, is as follows:

Director	Appointed	Last elected or re-elected at an AGM	Independence status
John Mulcahy (Chair) ¹	November 2009	November 2016	Independent
Susan Lloyd-Hurwitz (CEO/MD)	November 2012	n/a	Executive (non-independent)
Christine Bartlett	December 2014	November 2017	Independent
Peter Hawkins	January 2006	November 2017	Independent
James M. Millar AM	November 2009	November 2016	Independent
Samantha Mostyn	March 2015	Will stand for re-election at 2018 AGM	Independent
John Peters	November 2011	Will stand for re-election at 2018 AGM	Independent
Elana Rubin	November 2010	November 2016	Independent

1. John Mulcahy was appointed as Chair on 14 November 2013.

Director tenure at 30 June 2018

The length of service for each Director is set out below:



Corporate governance statement

2.2 Board independence

The Board only considers Directors to be independent where they are independent of management and free of any other business relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered judgement.

The Board has adopted guidelines to assist in considering the independence of Directors which have been formulated by reference to the factors contained in the Recommendations. In general, the Board considers a Director to be independent if they are not, and have not been, employed in an executive capacity within the Group in the past three years, and they:

- are not a substantial securityholder with a holding of more than five per cent of Mirvac's voting stock, or an officer of or otherwise associated with a substantial securityholder;
- have not (and have not within the last three years) been a partner, director or senior employee of a professional advisor to Mirvac whose billings exceed five per cent of the advisor's total revenues;
- have not (and have not within the last three years) been in a material business relationship (for example as a supplier or customer) with any entity in the Group (where the amounts received from or payable to the supplier or customer exceed five per cent of the supplier's total revenues or the customer's total operating costs) or an officer of or otherwise associated with someone with such a relationship;
- have no material contractual relationship with any entity in the Group other than as a Director;
- have no close family ties with any person who falls within any of the categories described above; or
- have not been a Director for such a period that their independence may have been compromised.

However, a qualitative assessment of whether any particular relationship could affect a Director's independence will override these quantitative considerations. The materiality of the interest, position, association or relationship will also be assessed to determine whether it might interfere with, or might reasonably be seen to interfere with, the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Group and its securityholders generally.

The Board is responsible for assessing the independence of Directors upon appointment and each year with the support of an attestation by each Director. Each Non-Executive Director also has an ongoing obligation to disclose any personal interest which could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement or where they do not meet the Board's guidelines for assessing independence.

As set out in the table on page 5, it is the Board's view that all its independent Non-Executive Directors exercised judgement and discharged their responsibilities in an unrestricted and independent manner throughout FY18. The Board also recognises that the interests of Mirvac and its securityholders are well served by having a mix of Directors, some with a longer tenure with a deep understanding of Mirvac's business and some with a shorter tenure who bring fresh ideas and perspective to the Board. In this regard, the Board is comfortable that no Director has served for a period such that their independence may have been compromised.

2.3 Chair's responsibilities and independence

The Board Charter sets out the key responsibilities of the Chair of the Board.

The Chair of the Board is John Mulcahy, an independent Non-Executive Director. He was appointed as an independent Non-Executive Director in November 2009 and appointed Chair in November 2013. The Board considers that having an independent Chair contributes to a culture of openness and constructive challenge that allows for a diversity of views to be expressed by Directors, and in applying appropriate scrutiny and challenge to management.

2.4 Nomination Committee

Role of the Nomination Committee

The Nomination Committee assists the Board in fulfilling its oversight responsibility to securityholders by ensuring the Board (and relevant subsidiary boards) is comprised of individual Non-Executive Directors best able to discharge the responsibilities of Directors having regard to the law and excellence in governance standards.

The Nomination Committee is governed by the Nomination Committee Charter, which is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

The responsibilities of the Nomination Committee include:

- reviewing and making recommendations to the Board on Mirvac's remuneration framework and fee levels for Non-Executive Directors on the Board and relevant subsidiary boards;
- reviewing and making recommendations to the Board on the size and composition of the Board and relevant subsidiary boards, including conducting searches for new Board members;
- assessing the skills required to competently discharge the Board's (and relevant subsidiary board's) duties, including specific qualities or skills that the Committee believes are necessary and the mix of skills, experience and diversity that the Board desires to achieve;
- recommending the appointment and re-election of Directors to the Board and relevant subsidiary boards, including recommending the appointment of the Chair of the Board, subsidiary boards and standing Board committees;
- ensuring succession plans are in place for Board members including the Chair and CEO/MD;
- assessing and reviewing annually the performance of the Board as a whole, its committees and individual Directors; and
- reviewing the induction and continuing education program for Directors.

Nomination Committee composition and meeting attendance

The Nomination Committee currently consists of four members who are appointed by the Board. The current members of the Nomination Committee are John Mulcahy (Chair), Peter Hawkins, James M. Millar AM and Elana Rubin, each of whom is an independent Non-Executive Director.

Details of meeting attendance of members of the Nomination Committee for FY18 are contained in the following table:

	Number of Nomination Committee meetings attended in FY18 while a member	Number of Nomination Committee meetings held in FY18 while a member
Director		
John Mulcahy (Chair)	2	2
Peter Hawkins	2	2
James M. Millar AM	2	2
Elana Rubin	2	2

Corporate governance statement

2.5 Director skills matrix

The Board seeks to have a mix of skills, experience and diversity across its members, including the skills required to competently discharge the Board's (and relevant subsidiary board's) duties. The mix of skills, experience and diversity the Board is looking to achieve in its membership includes:

- financial expertise;
- industry experience;
- technical expertise related to Mirvac's current and future business;
- Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business; and
- Director independence.

In 2018, we amended our targets relating to female representation on the Board to 40 per cent women, 40 per cent men and 20 per cent discretionary to be reached by 2022. This change was implemented to support inclusiveness and follows the PMCC gender targets. As set out in the diagram below, Mirvac currently has 50 per cent female representation on the Board which is within its 2018 target range, and will strive to remain within the target range.

The Nomination Committee is responsible for reviewing the mix of skills, experience, expertise and diversity on the Board each year.

The Board considers that it has the mix of skills, experience and diversity across its members to be an effective Board, as set out in the current Board skills and experience matrix below:

Board gender representation at 30 June 2018



Skills and experience

Number of Directors/Board representation (out of 8)

Executive leadership	8
Senior executive experience including international experience.	
Board experience	8
Experience as a board member or member of a governance body.	
Financial acumen	8
Senior executive or equivalent experience in financial accounting and reporting, corporate finance, risk and internal controls.	
Health, safety, environment and sustainability	8
Experience related to health, safety, environmental, social responsibility, or sustainability initiatives.	
Governance	8
Experience with sophisticated governance structures.	
Strategy	8
Experience in developing, implementing and challenging a plan of action designed to achieve the long-term goals of an organisation, including information technology and digital experience.	
Real estate management, development or funds management	8
Experience in real estate management, property development, construction or funds management.	
Capital management	8
Experience in capital management strategies, including capital partnerships, debt financing and capital raisings.	

Director selection and Board renewal

The Nomination Committee recognises that the mix of skills, experience and diversity will change from time to time as Mirvac's business and environment changes. If a change to the Board is considered necessary, the Nomination Committee manages the process of reviewing and recommending preferred Director candidates to the Board.

A key component of the Board renewal and selection process is ensuring succession plans are in place for Directors including the Chair and CEO/MD. When reviewing and implementing succession plans, the Nomination Committee considers the strategic priorities and direction of the Group and what skills, experience and expertise are likely to be needed on the Board in the future.

2.6 Director induction

All new Directors participate in a formal induction program. This includes meetings with the CEO/MD and other senior executives (including other members of the ELT, Head of Risk and Head of Human Resources), briefings on Mirvac's strategy, independent meetings with Mirvac's external and internal auditors, provision of all relevant corporate governance material and policies, and discussions with the Chair and other Directors.

2.7 Director education and professional development

Directors are provided with continuing education and professional development opportunities (at the Group's expense) to update and enhance their skills and knowledge needed to perform their role effectively, including:

- office and site visits to understand Mirvac's operations throughout Australia;
- extensive briefings and site visits to understand major technology trends;
- briefings on any key changes to the industry and environment in which Mirvac operates, including regular health, safety and environment updates and updates on current issues and trends; and
- ongoing briefings on developments in accounting standards and corporate governance changes.

Corporate governance statement

PRINCIPLE 3:

Act ethically and responsibly

3.1 Responsibilities of the Board and management

Code of Conduct

Mirvac has a Code of Conduct (Code) which reflects its corporate values and reflects the Recommendations in terms of the matters it addresses. The Code applies to the Board, executives, employees and contractors (known as "Workplace Participants") and any changes are approved by the Board. A copy of the Code is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

Mirvac is committed to maintaining a high standard of ethical business behaviour at all times and requires Workplace Participants to treat others with fairness, honesty and respect. The Code:

- prescribes the standard of honest, ethical and legal behaviour expected of each Workplace Participant;
- requires all Workplace Participants to adhere to those standards to protect and promote the interests of Mirvac's securityholders and other stakeholders;
- provides guidance as to the conduct and practices required to maintain confidence in Mirvac's integrity; and
- sets out the responsibility and accountability of the Directors, the ELT and managers and in particular, their obligation to report and (where required) to investigate reports of unethical and/or illegal practices.

The Code was reviewed and updated in 2017. The key amendment was to include a specific example of where a consensual, romantic or sexual relationship between two Workplace Participants may give rise to a conflict of interest. Depending on the circumstances, the Workplace Participants involved may be required to disclose their relationship to Human Resources, to ensure there is no conflict of interest, or that the relationship will not influence their work or Mirvac.

Corporate values

In 2018, Mirvac reviewed and refreshed its corporate values. Mirvac's values reflect the high-performing culture at Mirvac, and are intended to act as a guide for employee behaviour. These values are:

Mirvac Values

We put people first

We are passionate about quality and legacy

We collaborate

We are curious and bold

We are genuine and do the right thing

How we work matters

Fraud, Bribery & Corruption Policy

Mirvac also has a specific Fraud, Bribery & Corruption Policy which outlines its commitment to prevent fraud, bribery and corruption and provides guidance to Workplace Participants to manage these risks.

A summary of the Fraud, Bribery & Corruption Policy is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

Open Line Policy

Mirvac has an established Open Line Policy which provides a mechanism for employees to report concerns regarding potentially unethical, unlawful or improper practices or behaviours. The Open Line Policy provides protection for individuals reporting such matters in good faith. Access to Mirvac's Open Line is also available to any third party including suppliers, customers and securityholders who wish to report any concerns.

A copy of the Open Line Policy, together with the web form and Open Line contact number, is available on Mirvac's website: www.mirvac.com/about/corporate-governance. The website also includes Mirvac's public commitment to the non-tolerance of any unlawful, unethical payments or inducements.

Conflicts of interest

The Board Charter sets out the obligations of Directors in dealing with any conflicts of interest. Pursuant to the Board Charter, Directors are obliged to:

- disclose to the Board any interest which may give rise to a real or substantial possibility of conflict (including any material personal interest) immediately upon becoming aware of the interest, including any proposed Board or executive appointments to other organisations;
- take any necessary and reasonable measures to manage or resolve the conflict; and
- comply with the *Corporations Act 2001* provisions on disclosing interests and restrictions on voting if a conflict or potential conflict situation exists.

Unless the Board determines otherwise, a Director with any actual or potential conflict of interest in relation to a matter before the Board does not:

- receive any Board papers in relation to that matter; and
- participate in any discussion or decision making in relation to that matter.

Related party transactions are governed by the Conflicts of Interest and Related Party Transactions Policy, which clearly sets out the Group's position as to how it identifies and manages conflicts of interest. A copy of the Policy is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

Mirvac's Code of Conduct sets out guidelines for dealing with conflicts of interest that may arise for senior executives and other employees.

Dealings in Mirvac securities

In line with Mirvac's Code of Conduct, Mirvac has implemented a Security Trading Policy which covers dealings in Mirvac securities by Directors, executives and employees, as well as their respective associates. The Security Trading Policy was updated in 2017 to adopt a "trading window" approach which is consistent with that of Mirvac's peers. Mirvac Directors and employees may only deal in Mirvac securities (with prior approval to do so), or in securities of other publicly listed entities that are related to Mirvac, within certain trading periods as identified in the Policy. In accordance with the law, no Director, executive or employee may deal in Mirvac securities if they are in possession of price sensitive information that is not available to the market. Margin loans and any form of hedging or short-term speculative dealing in Mirvac securities (including options or derivatives) are prohibited under the Policy.

The Security Trading Policy sets out the specific approval process to be followed prior to any dealing in Mirvac securities by Directors, executives and employees. Any dealing in Mirvac securities by Directors is notified to the ASX within five business days of the transaction. The Security Trading Policy is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

In December 2017, the Board adopted a Minimum Securityholding Policy which requires current Non-Executive Directors to build up to a minimum securityholding level of 50,000 Mirvac securities by December 2020 (or within three years of appointment for any Non-Executive Directors appointed after December 2017). Any purchases of Mirvac securities will be subject to the Security Trading Policy. All Non-Executive Directors, other than Samantha Mostyn, have achieved the minimum securityholding level of 50,000 Mirvac securities as set out in the Remuneration Report starting on page 51 of the Annual Report. Samantha Mostyn is participating in the Non-Executive Director Fee Sacrifice Plan to build up her securityholding to the minimum level.

A copy of the Security Trading Policy and the Minimum Securityholding Policy is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

Political donations

Mirvac has in place a Political Donations Policy, which prohibits the Group and any Mirvac employee from making (or soliciting another person to make) any political donation on behalf of the Group. Directors and certain designated employees are also prohibited from making political donations in their personal capacity. During FY18, Mirvac (including its Directors and the designated employees) made no political donations.

Corporate governance statement

PRINCIPLE 4:

Safeguard integrity in corporate reporting

4.1 ARCC

Role of the ARCC

The ARCC assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Group's financial reporting, systems of internal control and management of risk, internal and external audit functions, and compliance obligations including the processes for monitoring compliance with relevant laws and regulations and the Mirvac Group Code of Conduct. It is the ARCC's role to ensure that Mirvac's financial statements and disclosures are complete and accurate and are in accordance with accounting standards and applicable laws. The ARCC is also responsible for making recommendations to the Board regarding the selection and appointment of the external auditor and the rotation of external audit engagement partners.

The ARCC is governed by the ARCC Charter, which is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

The responsibilities of the ARCC include:

- reviewing Mirvac's risk profile including approving the Group's Business Continuity Plan and insurance program (other than Directors' and Officers' liability insurance);
- reviewing and recommending to the Board the adoption and maintenance of policies and procedures to ensure there is an adequate system of internal control, management of business risks and safeguarding of assets, and accountability at senior management level for risk oversight and risk management;
- overseeing and approving Mirvac's financial reporting and disclosure processes, and reviewing and recommending Mirvac's financial statements, proposed distributions and significant accounting policies and principles to the Board;
- overseeing Mirvac's external auditor including approving the external audit annual plan and monitoring compliance with the non-audit services policy (see below);
- overseeing Mirvac's Internal Audit function including approving the Internal Audit annual plan and reviewing the results of any significant internal audits and issues raised; and
- reviewing and overseeing Mirvac's compliance framework, including the compliance plans of Mirvac's registered managed investment schemes and compliance with Mirvac's Australian financial services licences.

ARCC composition and meeting attendance

The ARCC currently consists of five members. Members are appointed by the Board and all members are Non-Executive and independent. The current members of the ARCC are James M. Millar AM (Chair), Christine Bartlett, Peter Hawkins, John Mulcahy and Elana Rubin.

Each member of the ARCC has the technical expertise to enable the Committee to effectively discharge its mandate. The Chair of the ARCC, James M. Millar AM, is the former Chief Executive Officer of Ernst & Young in the Oceania Region. Further details of each members' qualifications can be found at pages 44 and 45 of the Annual Report.

The CEO/MD, CFO, Head of Risk, Senior Legal Counsel (Compliance) and Head of Internal Audit and representatives of the Group's external auditors are invited to attend ARCC meetings. The ARCC regularly meets with the external auditors without management present.

Details of meeting attendance of members of the ARCC for FY18 are contained in the following table:

	Number of ARCC meetings attended in FY18 while a member	Number of ARCC meetings held in FY18 while a member
Director		
James M. Millar AM (Chair)	6	6
Christine Bartlett	6	6
Peter Hawkins	6	6
John Mulcahy	6	6
Elana Rubin	6	6

4.2 External auditor relationship

The ARCC is responsible for overseeing the relationship with the Group's external auditor, PricewaterhouseCoopers (PwC). In addition to the matters set out above, the ARCC is also responsible for monitoring and evaluating the performance, independence and objectivity of the external auditor and the provision of non-audit services.

Auditor independence

In accordance with the *Corporations Act 2001*, it is Mirvac's policy to rotate the audit engagement partner on the listed entity (being the Mirvac Group) at least every five years, and in accordance with that policy a new audit engagement partner was introduced in FY16.

To maintain auditor independence, the Board has adopted a policy and practice protocol related to non-audit services. A copy of the Policy on Non-Audit Services Provided by the Independent External Auditors (Non-Audit Services Policy) is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

The Non-Audit Services Policy specifies that Mirvac's external auditor cannot be engaged to undertake any non-audit services for the Group that results in the external auditor:

- creating a mutual or conflicting interest with that of the Group;
- auditing their own work;
- acting in a management capacity or as an employee of the Group;
- providing appraisal or valuation and fairness opinions;
- performing internal audit services; or
- acting as an advocate for the Group.

Non-audit services will not be awarded to the external auditor if the ARCC (or the CEO/MD or CFO) believes such work would give rise to a "self-review threat" (as defined in APES 110 *Code of Ethics for Professional Accountants*) or would create an actual or perceived conflict of interest for the external auditor or any member of the audit team, or would otherwise compromise the auditor's independence requirements under the *Corporations Act 2001*.

In addition, under the Non-Audit Services Policy the Chair of the ARCC must give prior approval for any non-audit services engagement of Mirvac's external auditor where the fee for the particular engagement exceeds \$100,000, or if the annual cumulative fees for all non-audit services exceed, or are likely to exceed, 50 per cent of the external auditor's annual audit fees. The CEO/MD or the CFO can approve the appointment if the engagement falls below these amounts.

An analysis of fees paid to the external auditors, including details of fees for non-audit services, is provided in note H5 to the consolidated financial statements contained in the Annual Report.

Certificate of independence

PwC has provided the ARCC with a half yearly and annual certification of its continued independence, in accordance with the requirements of the *Corporations Act 2001*, and in particular confirmed that it did not carry out any services or assignments during FY18 that were not compatible with auditor independence.

Corporate governance statement

Auditor attendance at AGM

The external auditor attends each AGM and securityholders are provided with a reasonable opportunity to ask questions of the external auditor relevant to the audit and the preparation and content of the auditor's report. The external auditor also has the opportunity to answer written questions submitted by securityholders in advance of each AGM.

4.3 Assurances from the CEO/MD and CFO

In accordance with section 295A of the *Corporations Act 2001*, the CEO/MD and the CFO have provided the following assurance to the Board in connection with Mirvac's financial statements and reports for FY18, namely that in their opinion:

- the financial records of the Group for FY18 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*, such that those records correctly record and explain the Group's transactions and its financial position and performance and enable true and fair financial statements to be prepared and audited;
- Mirvac's financial statements, and the notes to those statements, for FY18 comply with accounting standards (as defined in the *Corporations Act 2001*) and are in accordance with the *Corporations Act 2001*;
- Mirvac's financial statements, and the notes to those statements, for FY18 give a true and fair view of the financial position and performance of the consolidated Group;
- there are reasonable grounds to believe that Mirvac will be able to pay its debts as and when they become due and payable;
- each of the statements referred to above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- Mirvac's system of risk management and internal compliance and control is operating effectively in all material respects in relation to financial reporting risks.

The effective control environment established by the Board supports this assurance provided by the CEO/MD and the CFO. However, it should be noted that joint venture arrangements that are not controlled by Mirvac are not covered for the purpose of this assurance or the declaration given under section 295A of the *Corporations Act 2001*.

Mirvac's practice is to provide similar assurances to the Board for the Group's interim financial statements and reports.

PRINCIPLE 5:

Make timely and balanced disclosure

5.1 Commitment to disclosure

Mirvac is committed to ensuring:

- compliance with the ASX Listing Rules disclosure requirements;
- awareness and accountability at a senior executive level for that compliance;
- facilitation of an efficient and informed market in Mirvac securities by keeping the market apprised through ASX announcements of all information that a reasonable person would expect to have a material effect on the price or value of Mirvac's securities; and
- compliance with the requirements of the *Corporations Act 2001*, the ASX Listing Rules and the Recommendations.

5.2 Continuous Disclosure and External Communications Policy

Mirvac has a Continuous Disclosure and External Communications Policy which is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

The Policy is designed to support Mirvac's commitment to a fully informed market in Mirvac securities by:

- ensuring that Mirvac complies with its continuous disclosure obligations under the ASX Listing Rules and the *Corporations Act 2001* and that there is accountability of Directors and senior executives for that compliance;
- establishing a corporate governance framework to enable disclosure to securityholders and the market in a timely, effective, consistent and transparent manner;
- establishing a corporate governance framework for external communications to minimise the risk of selective or inadvertent disclosure of material information; and
- establishing a system for monitoring compliance with Mirvac's continuous disclosure obligations.

PRINCIPLE 6:

Respect the rights of securityholders

6.1 Continuous Disclosure and External Communications Policy

As noted in Principle 5 above, Mirvac has a Continuous Disclosure and External Communications Policy which is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

In accordance with the Policy, all Mirvac ASX announcements are posted to Mirvac's website, including half year and annual reports, investor presentations, operational updates, market briefings, notices of meetings and the Mirvac Property Compendium.

Mirvac maintains an investor relations program to facilitate effective two-way communication with investors and market analysts. The aim of this program is to allow investors and market analysts to understand Mirvac's business, governance, financial performance and prospects.

Mirvac seeks to engage with retail brokers bi-annually to ensure that retail investors and the organisations that represent them have timely two-way communication.

In addition, Mirvac values the opportunity to hear investors and analysts' views and concerns and, where appropriate, distils and communicates those views to the Board.

6.2 Mirvac website

The Mirvac website contains all the information in the commentary to Recommendation 6.1 of the Recommendations. The corporate governance section of the Mirvac website (under the "About" menu on the Mirvac home page) contains:

- Mirvac's Constitutions, Board Charter and Board committee charters; and
- copies or summaries of the corporate governance policies referred to in this Corporate governance statement.

Corporate governance statement

The Investor Centre section of the Mirvac website provides access to relevant information about the Group, including copies of ASX releases, copies of annual reports and financial statements, investor presentations, a key events calendar including details of the next AGM, distribution information, historical security price information and registry contact details (including the website address which contains key securityholder forms). Webcasting facilities for market briefings are also provided on the website to encourage participation from all stakeholders, regardless of location.

The “About” section of the Mirvac website contains an overview of Mirvac, its structure and history, and biographical information and photos for each of the Directors and members of the ELT.

6.3 Participation in the AGM

Mirvac encourages all securityholders to attend the AGM which is usually held in November each year. The AGM provides securityholders with an insight into the operations of Mirvac during the year. Notices of meeting for each AGM are accompanied by explanatory notes to enable securityholders to assess and make an informed decision on the resolutions being put forward at the meetings. Full copies of notices of meetings and explanatory notes are posted on Mirvac’s website.

Mirvac is committed to rotating the location of its AGM to allow securityholders in locations where Mirvac has operations to participate in person. In the past five years, Mirvac has held its AGM in Sydney, Brisbane and Melbourne. The 2018 AGM is to be held on 16 November 2018 in Sydney.

Each AGM is webcast to enable those securityholders who are unable to attend in person to view the AGM online. The access details for the webcast will be posted to Mirvac’s website in advance of the 2018 AGM.

Further demonstrating Mirvac’s commitment to making the AGM accessible to all securityholders, no matter their location, the 2018 AGM will be a hybrid AGM. A hybrid AGM allows securityholders to participate virtually in the meeting in real-time, by voting on resolutions and asking questions online, effectively allowing securityholders to attend the AGM remotely.

Securityholders who are unable to attend Mirvac’s AGM in person or online may vote by appointing a proxy using the form included with the notices of meeting or via an online facility. Since 2014, Mirvac has enabled securityholders to vote before the AGM without having to attend or appoint a proxy by way of a direct voting facility. Securityholders are also invited to submit questions in advance of each AGM so that Mirvac can appropriately address those issues.

At each AGM, securityholders are entitled to ask questions about the management of Mirvac and questions of the external auditor about the conduct of the audit and the preparation and content of the auditor’s report. All resolutions at each AGM are decided by way of a poll.

6.4 Electronic communications with securityholders

Securityholders may elect to receive all (or some) communications from the registry electronically, including notices of meetings and annual reports, in line with Recommendation 6.4 of the Recommendations. To improve the speed, convenience and environmental sustainability of its reporting communications, Mirvac encourages all securityholders to receive communications electronically, including annual reports. Securityholders may contact the registry, either by phone or via their website, to elect to receive such communications electronically.

Mirvac’s registry provider also gives securityholders the option to update their details electronically via their website, including changes of address, any changes to bank details for the payment of distributions and distribution reinvestment plan forms (when the plan is active).

PRINCIPLE 7:

Recognise and manage risk

Mirvac’s risk management framework is a core part of its corporate governance structure and is in place to identify risks and implement mitigations to eliminate, reduce, or otherwise manage the impact to the Group’s objectives and activities.

7.1 Risk management responsibility

The Board determines the overall risk appetite for the Group and has approved strategies, policies and practices to ensure that key risks are identified and managed within the approved risk appetite. The application of Group policies and procedures to manage risk is ultimately the responsibility of the Board, which has in turn delegated specific authority to the ARCC. The ARCC Charter is further described in Principle 4 above.

The Board has charged management with responsibility for managing risk across the Group and the implementation of mitigation strategies, under the direction of the CEO/MD supported by other senior executives. A Group Risk function, led by the Head of Risk, provides a centralised role in facilitating the risk management framework, advising business units on risk management plans and consolidating risk reporting to senior executives, the ARCC and the Board.

7.2 Risk management framework

The ARCC advises the Board on risk management and is responsible for reviewing the effectiveness of the Group’s approach to risk management. Risk management activities and the Group risk profile are reviewed on a regular basis by the ARCC. In addition, the Group’s risk management framework is reviewed at least annually to ensure it remains sound and relevant to the changing business environment. A Board risk workshop was conducted in September 2017 where a deep dive of key strategic risks was undertaken.

The Board has adopted a consolidated Risk Management Policy and Framework which incorporates governance and compliance, risk appetite and business continuity management. Financial consequence parameters for the categories of strategic risks, business risks, and development project risks and issues were reviewed as part of the 2017 policy update. The approach defined within the Risk Management Policy is consistent with the Australian and New Zealand standard on risk management (ISO 31000:2009). The Risk Management Policy is available on Mirvac’s website: www.mirvac.com/about/corporate-governance.

Mirvac’s Risk Appetite Framework includes risk appetite statements in relation to identified risk categories for the entire Group, including at the responsible entity and scheme levels. These risk categories have been identified to support the delivery of Mirvac’s strategy and are kept under review by the Group Risk function against any change in strategic direction. The statements are measured bi-annually against key risk indicators.

To make risk management more visible and relevant for users, risk registers are maintained across Mirvac for strategic risks, operational risks and project risks. Risks and controls are reviewed and signed off at least annually. In addition, emerging risks are identified and reviewed quarterly by senior executives and the ARCC.

Corporate governance statement

7.3 Role of Internal Audit

The Board has established the Group Internal Audit function as a key element of the governance framework. Mirvac's Internal Audit function is led by the Head of Internal Audit who reports functionally to the Chair of the ARCC and administratively to the CFO, and has direct access to the CEO/MD and the ARCC. The role of Internal Audit is to:

- provide independent and objective assurance to the ARCC and Board that controls are operating in an efficient and effective manner to manage the Group's risks; and
- assist management in improving business processes and controls.

7.4 Economic, environmental and social sustainability risks

Mirvac is cognisant of its impact on the economy, the environment and the community in which it operates, and the risks associated with not dealing with these aspects appropriately. Accordingly, Mirvac is active in managing and minimising these impacts through its refreshed Sustainability Strategy and various community initiatives.

Mirvac is committed to providing its stakeholders with credible, transparent and timely information on its sustainability performance. Mirvac annually reports on these matters through its annual reports and sustainability reports which are available on Mirvac's website: www.mirvac.com.

PRINCIPLE 8:

Remunerate fairly and responsibly

8.1 HRC

Role of the HRC

The HRC assists the Board in its oversight of the Group's people strategy, culture and human resources practices. It also supports the Board in the appointment and review of the performance, remuneration and succession planning of senior management and where relevant, the CEO/MD.

The HRC is governed by the HRC Charter which is available on Mirvac's website: www.mirvac.com/about/corporate-governance.

The role of the HRC is to assist the Board in ensuring Mirvac:

- has an effective human resources strategy, organisational culture and policies and benefits to attract, motivate and retain the right people to meet Mirvac's needs;
- has coherent remuneration policies and practices which are consistent with Mirvac's strategic goals and human resources objectives by attracting and retaining individuals who will create value for securityholders;
- fairly and responsibly remunerates executives, having regard to the performance of the Group, the performance of the individuals and the general remuneration environment;
- has an effective Diversity & Inclusion Policy and regularly reviews progress towards achieving measurable objectives and strategies aimed at improving diversity; and
- has appropriate succession and talent strategies in place for senior leadership and other key roles.

HRC composition and meeting attendance

Under the HRC Charter, the Committee must comprise a minimum of three independent Non-Executive Directors appointed by the Board, one of whom is appointed as the Committee Chair. The HRC currently consists of four members, being Peter Hawkins (Chair), Samantha Mostyn, John Mulcahy and John Peters.

Details of meeting attendance of the Non-Executive Director members of the HRC for FY18 are contained in the following table:

	Number of HRC meetings attended in FY18 while a member	Number of HRC meetings held in FY18 while a member
Director		
Peter Hawkins (Chair)	5	5
Samantha Mostyn	5	5
John Mulcahy	5	5
John Peters	5	5

Remuneration policies

Information on the Group's remuneration policies and practices is set out in the Remuneration report starting on page 51 of the Annual Report.

8.2 Non-Executive Director remuneration

The remuneration of Non-Executive Directors is fixed and is paid according to the role in which they serve on the Board and Board committees. Non-Executive Directors do not participate in other remuneration components such as performance-related short-term or long-term incentives, options or variable remuneration and do not receive retirement benefits other than superannuation. Information relating to the remuneration of Non-Executive Directors is disclosed in the Remuneration report starting on page 51 of the Annual Report.

8.3 Equity-based remuneration schemes

As noted in the Remuneration report contained in the Annual Report, performance rights or options relating to Mirvac securities are granted to employees in accordance with the Mirvac remuneration strategy. Consistent with the prohibition under the *Corporations Act 2001*, the Security Trading Policy prohibits hedging of the value of both unvested awards and vested awards that remain subject to a holding lock.