
New submission from 2020 Shared Value Awards application - Shared Value Organisation of the Year

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Where did you hear about the Shared Value Awards?

Twitter

About your organisation

Organisation name

Mirvac

Organisation type

Corporate

Website

<https://www.mirvac.com/>

Organisation overview

Mirvac has been delivering exceptional places for Australians for almost 50 years, and sustainability - both social and environmental - has long been embedded in the company's DNA. In 2014, we formalised our approach to sustainability under a new strategy, This Changes Everything, under which we set some bold targets that underpin our ambition to be a force for good. Our aim is to leave a positive legacy, and we'll do that by making good and informed choices around how we treat our people, our partners and our planet.

How is your organisation leading through shared value?

Why is shared value important to your organisation?

Sustainability has long been embedded in Mirvac's DNA and as a leading Australian property group, we recognise the unique position we're in to have a positive impact. In 2014, we launched a new strategy that formalised our approach to environmental and social sustainability, called This Changes Everything. Under this strategy, we set ambitious targets to be net positive in carbon and water and send zero waste to landfill by 2030, and while we were not entirely sure how we would achieve these at the time, we knew it was the right thing to do. A refresh of the strategy in 2018 saw these targets maintained, along with a strengthened focus around our communities, with new targets to direct \$100 million towards the social sector and leave a positive legacy through community investment. The refreshed strategy also underscored our commitment to our people and to being a trusted partner. These targets are inextricably linked to Mirvac's purpose to reimagine urban life; we want to create vibrant, sustainable workspaces, retail hubs and communities that we can be proud of and deliver shared value for our employees, customers, partners and securityholders. By leveraging the skills and expertise of our people, we can make a meaningful difference to the lives of those in our communities - whether that's by helping to build or refurbish spaces for those who are most vulnerable,

volunteering within our communities (using our unlimited paid volunteer leave), or partnering with not-for-profits to address homelessness and housing affordability. We are in the business of creating vibrant urban environments and generating social value plays a key role in how we do that successfully.

What social issue(s) is your organisation addressing through shared value?

Our sustainability strategy, This Changes Everything, captures a number of important social issues, namely climate change, waste, water scarcity, social inequality, loneliness and trust in corporations.

Focusing on climate change specifically, we've done an enormous amount of work to reduce our carbon emissions and progress towards net positive by 2030. In June 2019 we released Planet Positive – Carbon, which outlines the strategies we'll employ to reach our target. Key to this is continuing to maximise energy efficiency at our assets - we have one of the greenest office portfolios in the country – designing out fossil fuels in new developments, and transitioning to 100% renewable energy. In December 2019, we took a giant leap in this space, signing an agreement that sees the majority of our assets in NSW, ACT and Vic run on 100% renewable electricity. This saw our carbon footprint reduce by 60%, which will reduce by a further 5% from 1 January 2021 with three more assets signed to renewable energy agreements.

Targeting net positive isn't just the right thing to do, it makes good business sense. As our climate becomes more volatile, so too does the potential disruption to our activities, caused by weather-related incidents such as construction delays and damage to property, losses in productivity, impacts to our supply chain, increases in energy and water costs and insurance costs, and the interruptions caused by power supply failures. Transitioning to a lower carbon economy will also help us combat rising energy costs, create greater security for our stakeholders, retain premium tenants, and minimise vacancy rates. Through our net positive carbon initiative and wider program addressing climate change, we can protect the value of our assets while helping to protect the integrity of our natural environment, on which the future of our society depends.

Shared value approach

Mirvac has a robust network of sustainability experts who are tasked with delivering the Group's sustainability targets, including net positive carbon by 2030. These include sustainability managers, site engineers, facilities managers and resource recovery managers, who sit across Mirvac's business units - Office & Industrial, Retail, Build-to-Rent and Residential. To reach net positive carbon, Mirvac has a strong focus on energy efficiency – our view being that the cheapest tonne of carbon is the one you don't emit. This is demonstrated by an office portfolio that boasts three 6 star, four 5.5 star and eight 5 star NABERS Energy rated buildings, along with two 6 Star Green Star rated buildings. Our sustainability managers in technical services negotiated our renewable energy solution with Red Energy that saw Mirvac transition the majority of its assets in NSW, ACT and Vic to 100% renewable electricity, reducing our carbon footprint by 60% as of 1 January 2020 (which will reduce by a further 5% from 1 January 2021 with three more assets signed to renewable energy agreements). We are continuing to work on similar agreements for assets in Qld and WA.

In addition to this, our residential teams are working hard to offer our customers access to solar technologies and reduce our scope 3 emissions. In Victoria, we've partnered with Australian start-up, Allume, to implement a technology that makes solar more affordable and more accessible for multi-metered buildings (such as apartment buildings). We've also partnered with the Clean Energy Finance Corporation and the Australian Renewable Energy Agency (ARENA) to provide solar energy solutions for our residential customers at Woodlea in Rockbank VIC and The Fabric at Altona North in Melbourne. Our House with No Bill (HWNB) project, which concluded in December 2019, also sought to deliver a home that would generate no electricity bills.

Measurement, tangible results to date and potential for scale

Our economic and social impact is measured in a number of ways. Firstly, within our office portfolio we measure our economic impact at an asset level by observing the reduction in energy costs to our tenants. Having high-performing NABERS rated buildings also increases our asset value. At our headquarters, [200 George Street](#) in Sydney, for example, we improved the building's NABERS rating by half a star, which resulted in a \$4 million valuation uplift for the asset and is expected to save us around \$200,000 a year in energy bills. Our HWNB research project, also delivered valuable insights into the economic and social impacts of living in a more sustainable home. The family selected to live in the home during the study, the Zimmermans, achieved a 75% savings in energy costs, which is equal to approximately \$2,000 a year, over the study period. The home also managed to operate on positive energy for five months of the year, and when compared to a typical home in the same area, used 92 per cent less energy. Following the HWNB, we've continued to look at how we can positively influence sustainability at our residential communities. This includes The Fabric at Altona North in Melbourne, where, with the help of funding from ARENA, we're targeting a 7 star NatHERS rating for each home across the entire project. The HWNB has also inspired The Affordability Experiment at our Illuma Private Estate in Perth, which will likewise explore how to make living more affordable and more sustainable for Mirvac's customers. During this experiment, the selected family will have their utility consumption, spending and saving patterns, as well as lifestyle impacts, monitored to help gain an understanding of the cost savings that can be achieved by living in an energy-efficient home. A HWNB 2.0 is also underway.

Development of a shared value culture

Mirvac owns and manages assets in its investment portfolio, with over \$23 billion of assets under management, along with an \$8.2 billion committed and future commercial development pipeline and \$15.6 billion in residential development. We have an integrated business model which gives us a competitive advantage across the lifecycle of a

project. From site acquisition, urban planning and design, through to construction and development, leasing, sales and marketing, property management and long-term ownership, we exercise control over the entire process. Our integrated model also ensures stable income and growth, as well as a balance of passive and active capital, enabling us to respond to fluctuations in the property cycle.

Our unique and vibrant culture – underpinned by our purpose and an ambition to be a force for good – continues to set us apart. We believe that our culture is a key competitive advantage, allowing us to attract and retain top talent and ensure that we have the right people in the right roles. Having a strong, purpose-led culture is also important for the delivery of our strategy and current business activities, and likewise, means we are well placed to adapt to market changes. Our culture has engendered a dynamic team of people who are committed to operating in a way that is economically, socially and environmentally sustainable; a culture where all employees are driven to look beyond profit.

Attached is Mirvac's Annual Report for FY20, which demonstrates the positive contribution we're making to Australian cities throughout. You see this in the way Mirvac has responded to its customers and its employees during the COVID-19 pandemic. You see this in the strides we've made against our targets to be net positive carbon and send zero waste to landfill. And you see this in the passion and care we apply to all that we do.

Please provide relevant documentation to support claims made in this application.

Upload any supporting documentation

- [200820-FY20-Annual-Report1.pdf](#)

Official endorsement

Endorsement

- I am authorised to submit this application on behalf of my organisation and confirm that all required approvals have been sought and received.
- I acknowledge that in order to finalise this application I will pay the relevant administration fee.