



LEA 02	Disclosures: Mandatory	Reason for interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements		<input checked="" type="checkbox"/> To support investment decision-making in & company's material ESG issues <input checked="" type="checkbox"/> To encourage corporate transition or identify the need for a transition <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage in internal staff	
Collaborative engagements		<input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for a transition <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage in collaborative engagements	
Service provider engagements		<input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for a transition <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage in service providers	

# RI TRANSPARENCY REPORT

## 2013/14

Mirvac Group

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	✓	Private	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Private				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

# Mirvac Group

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Diversified Property Group - Property development comprising Commercial, Retail, Industrial and Residential disciplines

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Execution and advisory only services

OO 01.2

Additional information. [Optional]

Mirvac has 40 years experience in the Australian development and construction industry, we create, own, and manage a diverse portfolio of assets across the office, retail, industrial and residential sectors.

Our point of difference is our integrated business model which enables us to bring a range of skills to a development or acquisition opportunity. These skills span across, Design, Construction and Asset Management.

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Australia

**OO 02.2** Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

1186

**OO 03** **Mandatory** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 04** **Mandatory** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

30/06/2013

**OO 04.2** Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		6	232	900	000
Currency	AUD				
Assets in USD		5	630	171	446

**OO 04.3** Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 04.4** Additional information. [Optional]

The total assets under management noted above includes all owned and managed assets within our office, retail, industrial, carpark and hotel portfolios as listed in the Mirvac Property Trust Annual Financial Report 30th June 2013

**OO 06** **Mandatory** **Descriptive** **General**

**OO 06.1** To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

Publish our asset class mix as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	0	0
Property	100	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0



- Publish our asset class mix as broad ranges
- Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

## Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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**OO 11.1**

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Property
- None of the above

OO 12	Mandatory	Gateway	General
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**OO 12.1**

The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

### Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

### RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Property

### Closing module

- Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# Mirvac Group

## Reported Information

## Public version

## Overarching Approach

## PRI disclaimer

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- Yes
- No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
- No

**OA 01.3**

Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

Mirvac is committed to ensuring that its systems, procedures and practices reflect a high standard of corporate governance. Mirvac's Board of Directors believe that the Group's corporate governance framework is critical in maintaining high standards of corporate governance and fostering a culture that values ethical behavior, integrity and respect to protect security holders' and other stakeholders' interests at all times. During FY13, Mirvac's corporate governance framework was consistent with the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council in August 2007 and updated in 2010. Copies of the Group policies and charters are posted to Mirvac's website [www.mirvac.com/corporate-governance](http://www.mirvac.com/corporate-governance)

Mirvac is obliged to comply with a number of standards and/or regulations/legislation as a top 50 listed company in Australia, including (but not limited to):

- ASX listing rules
- ASX Corporate Governance and Principle Recommendations Insurance Contracts Act 1984
- Trade Practices Act 1974
- Privacy Act 1988
- Corporations Act 2001
- Occupational Health & Safety Act 1991
- Anti Discrimination Act 1977

In addition, Mirvac has introduced its own internal codes of conduct and expected behaviors of both its employees and contractors to assist in the meeting of our regulatory and legislative obligations, including

- Mirvac Code of Conduct/Ethical Business Behavior
- Securities Trading Policies
- Continuous Disclosure Policy

At the highest level of the organisation both the Investment Committee and the Capital Allocations Committee convene regularly to ensure a adherence to Mirvac's high standards of responsible corporate governance.

**OA 02**

**Mandatory**

**Core Assessed**

**PRI 6**

**OA 02.3**

Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- Yes
- Yes, all
- Yes, some

**OA 02.4**

List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Corporate Responsibility and Sustainability Policy	<a href="http://www.mirvac.com/Sustainability/Sustainability-Reports/">http://www.mirvac.com/Sustainability/Sustainability-Reports/</a>
Conflicts of Interest and Related	<a href="http://www.mirvac.com/About/Corporate-Governance/">http://www.mirvac.com/About/Corporate-Governance/</a>
Continuous Disclosure Policy	<a href="http://www.mirvac.com/About/Corporate-Governance/">http://www.mirvac.com/About/Corporate-Governance/</a>
Security Trading policy	<a href="http://www.mirvac.com/About/Corporate-Governance/">http://www.mirvac.com/About/Corporate-Governance/</a>
Code of Conduct	<a href="http://www.mirvac.com/About/Corporate-Governance/">http://www.mirvac.com/About/Corporate-Governance/</a>
Risk Management Policy	<a href="http://www.mirvac.com/About/Corporate-Governance/">http://www.mirvac.com/About/Corporate-Governance/</a>

No

**OA 02.5** Additional information. [Optional]

Additional policies and procedures not listed above can also be located at

<http://www.mirvac.com/About/Corporate-Governance/>

These include

1. Corporate Responsibility & Sustainability Policy;
2. Communications Policy
3. Complaints Handling Policy
4. Open Line Policy

Additionally but not publicly available are the following Policies;

5. Procurement Policy
6. Anti-money Laundering
7. Compliance Risk Policy
8. Asset Allocation Policy
9. Issues Breach Policies & Procedures
10. Political Donations Policy
11. Protocol for dealing with Government Officials
12. Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF") Program

Charters;

13. Capital Allocation Committee Charter
14. Investment Committee Charter

<b>OA 03.1</b>	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

Mirvac is committed to applying sound practices in risk management, including fostering a culture where risks are identified, assessed, treated and reported at various levels of operation, up to the Board level.

Mirvac's Risk Management Framework provides a guide to the Group about the methodology behind Mirvac's risk management processes. The framework incorporates aspects of work that have been performed in the past and remain relevant to the current application of risk management at Mirvac.

Prudent risk management is essential for Mirvac to continue to meet our obligations to our securityholders and regulators, as well as the broader communities in which we operate.

Constant supervision of risk management practices and allocation of resources necessary to meet appropriate performance standards is a key responsibility of Mirvac's Board of Directors and the Executive Leadership Team.

Risk Management is overseen by the ARCC as delegated by the Mirvac Board. ARCC is responsible for reviewing Mirvac's major risks and providing recommendations on the Mirvac risk profile to the Board. Furthermore, ARCC helps to evaluate risk management strategies and the risk management system and provides feedback on reporting methods. ARCC ensures management is held accountable for implementing the Risk Management Framework. The ARCC Charter is available on our website.

The Group Risk Management team's role includes implementing an organisational risk framework to meet the requirements of the different business units and activities that comprise the Mirvac Group. As a publicly listed entity on the ASX, Mirvac has multiple obligations to meet.

The Mirvac Risk Management Framework is over-arching and designed to:

- Drive business leadership in property development and investment management to strengthen their processes and procedures that support senior management and the Board in meeting their respective objectives
- Provide the Board and management with confidence that strategic risks are being effectively understood and managed throughout the businesses
- Integrate risk identification and assessment within strategic planning activities
- Ensure that risk management is a living and dynamic process, appropriately embedded in business functions and operations
- Address the needs of employees to capably perform risk management duties, including taking ownership of accountabilities.

Mirvac's Risk Management Framework is based on ISO 31000 (previously AS/NZS 4360).

Additionally the Group directly focuses on Environmental and Sustainability related matters within the Health, Safety, Environment and Sustainability ("HSE&S") This committee helps Mirvac fulfill its responsibilities in relation to health, safety, environment and sustainability matters by monitoring all HSE&S operational and compliance issues, reporting appropriate matters and reviewing and monitoring its strategic direction in relation to our strategy.

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes



The Mirvac Group is a listed real estate group specialising in the ownership, management and development of real estate. Through its Development, Investment and Platform business units, Mirvac is able to provide a range of services both to itself and to external entities including:

- operating registered and unregistered schemes in a responsible entity / trustee capacity
- acting as an asset manager, investment manager, property manager, development and construction manager for other Mirvac Group entities or external third parties or for registered and unregistered schemes operated by other Mirvac entities
- being an investor alongside other non Mirvac Group investors in Mirvac Group operated trusts and schemes
- being a joint venture partner

The integrated nature of Mirvac Group's operations means that it is exposed to conflicts of interest and related party transactions.

This Policy has been created by the Mirvac Group Board to ensure that its expectations regarding the importance of dealing openly and transparently with conflicts of interest and related party transactions are clearly stated. This Policy applies to the entire Mirvac Group and to all Mirvac's Workplace Participants (meaning employees, non executive directors, consultants and contractors).

As a number of entities within the Group are AFS licence holders, the Mirvac Group is required to have in place adequate arrangements to manage conflicts of interest that may arise either wholly or partially in relation to its activities.

The Mirvac Group's integrity and reputation are not negotiable items. Therefore, in all situations, it is essential that the Mirvac Group:

- acts in the best interests of the scheme/client for which it is the responsible entity/manager;
- conducts transactions having regard to its fiduciary obligations, legislative requirements and being on commercial arm's length basis at all times, or, if applicable, in accordance with the Deed of Co-Operation.

This Policy acknowledges that where a Mirvac entity sits alongside external investors in the same trust or scheme, separate and specific Conflicts of Interest Protocols will be established and based on the principles outlined in this Policy.

The entire policy can be found at the link below

<http://www.mirvac.com/About/Corporate-Governance/>

No

## Objectives and strategies

OA 05

Mandatory

Gateway/Core Assessed

General

**OA 05.1** | Indicate if your organisation sets objectives for its responsible investment activities.

Yes

**OA 05.2** | Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year  
 Less than once per year

**OA 05.3** | Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly  
 Biannually  
 Annually  
 Every two years or less  
 It is not reviewed

No

## Governance and human resources

**OA 08**

**Mandatory**

**Gateway/Core Assessed**

**General**

**OA 08.1** | Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles present in your organisation

- Board members or trustees
- Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
- Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Divisional CEO's Investments & Development

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Other role, specify
  - Group General Manager Sustainability**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
  - Other role, specify
    - Head of Corporate Services**
      - Oversight/accountability for responsible investment
      - Implementation of responsible investment
      - No oversight/accountability or implementation responsibility for responsible investment

<b>OA 08.2</b>	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
	Number

18

Within Mirvac there are two key committees that ensure Mirvac best practice in responsible investment. These are the Capital Allocations Committee and the Investment Committee. A brief description of the operation is given below.

Within Mirvac the Capital Allocations Committee comprises of 16 members from all key strategic positions within the Group.

The CAC members are:

- CEO Development & Group Strategy (Chair)
- CEO, Investment
- CEO Apartments Master planned Communities, Development
- GGM Capital Allocation
- GGM Strategy & M&A
- Group Executive Capital
- GM Office & Industrial, Investment
- Group Treasurer
- Group Financial Controller
- Group Risk Officer
- GM Retail, Investment
- GM National New Business, Development
- CEO Commercial, Development
- Group General Manager, Sustainability

Subject to the limits referred to in its Charter, the CAC has the power to do all things necessary to perform its duties and fulfill its purpose including:

- a) Reviewing, considering and, if appropriate, approve transactions;
- b) Making recommendations to the IC regarding transactions falling outside of the Board Delegations;
- c) Formulating and assessing opportunities against the strategic plan;
- d) Managing capital allocation between business units within the defined Capital Allocation Framework consistent with the strategic plan;
- e) Critiquing, challenging and where appropriate, approving capital expenditure and disposals proposed by business units, including corporate merger and acquisition proposals.

The Investment Committee comprises of 6 key members from strategic positions within the

Group. It comprises of the following members

- CEO/MD - Chair;
- CEO Development & Group Strategy;
- CEO Investment;
- Chief Financial Officer;
- Group Executive, Capital; and
- General Counsel.

Subject to the limits referred to in Section 3 of this Charter, the IC has the power to do all things necessary to perform its duties and fulfill its purpose including:

- a. Reviewing, considering and, if appropriate, approve any transactions;
- b. Making recommendations to the Board regarding transactions falling outside of the Delegations Policy;
- c. Formulating and assessing opportunities against the Mirvac Group strategic plan;
- d. Managing capital allocation between business units within the defined Capital Allocation Framework consistent with the Mirvac Group strategic plan;
- e. Critiquing, challenging and where appropriate, approving capital expenditure and disposals proposed by business units, including corporate merger and acquisition proposals; and
- f. Performing other functions as required by the CEO/MD from time to time.

## Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

### Select all that apply

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced

- Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced

- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced

- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

Shareholder Association for Research and Education (Share)

United Nations Environmental Program Finance Initiative (UNEP FI)

United Nations Global Compact

Other collaborative organisation/initiative, specify

Urban Development Institute of Australia and  
Urban Land Institute of Australia

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Property Council of Australia

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Green Building Council of Australia

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Shopping Centre Council of Australia

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

No

OA 11

Mandatory

Core Assessed

PRI 4

**OA 11.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**OA 11.2**

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No



# Mirvac Group

## Reported Information

### Public version

#### Direct - Property

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PR 05	Mandatory	Core Assessed	PRI 1-6
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**PR 05.1** Indicate if your organisation has a Responsible Property Investment (RPI) policy.

Yes

No

**PR 05.3** Additional information. [Optional]

Mirvac does not have a specific PRI policy however Mirvac has Policies and Charters which strongly ensure that all our investments and daily operations are carried out to the highest ethical levels.

These policies and charters are listed below for reference;

- Corporate Responsibility & Sustainability Policy.
- Fraud Bribery and Corruption Policy.
- Asset Allocations Policy.
- Conflicts of interest and related party transaction policy.
- Leasing Conflict Policy.
- Code of Conduct.
- Anti-money Laundering.
- Compliance Risk Policy.
- Continuous Disclosure Policy.
- Issues Breach Policies & Procedures.
- Political Donations Policy.
- Protocol for dealing with Government Officials.
- Security Trading Policy.
- Open Line Policy.
- Investment Committee Charter.
- Capital Allocations Committee Charter.

The publicly available documents can be located at the following location;

<http://www.mirvac.com/About/Corporate-Governance/>

## Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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<b>PR 06.1</b>	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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Yes

No

<b>PR 06.4</b>	Additional information. [Optional]
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Not Applicable

### Pre-investment (selection)

<b>PR 08</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>PR 08.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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Yes

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

During FY13, Mirvac's corporate governance framework was consistent with the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council in August 2007 and updated in 2010. Copies of the Group policies and charters are posted to Mirvac's website [www.mirvac.com/corporate-governance](http://www.mirvac.com/corporate-governance).

## COMMITTEES

### Health Safety Environment and Sustainability ("HSE&S") Committee

The HSE&S Committee helps Mirvac fulfil its responsibilities in relation to health, safety, environment and sustainability matters by monitoring all HSE&S operational and compliance issues, reporting appropriate matters and reviewing strategic directions.

### Audit Risk and Compliance Committee ("ARCC")

The ARCC assists Mirvac's Board in fulfilling its corporate governance and oversight responsibilities in relation to the Group's financial reporting, systems of internal controls and management of risk, internal and external audit functions, compliance obligations and processes for monitoring compliance with relevant laws and regulations.

### Mirvac Group Investment Committee ("IC")

The IC has been established to assist the Chief Executive Officer & Managing Director ("CEO/MD") and considers the allocation of capital and potential new transactions for MGR and related entities.

### Capital Allocation Committee ("CAC")

CAC has been established to assist the Chief Executive Officer & Managing Director ("CEO/MD") in the effective running of capital operations of MGR and its controlled entities.

Mirvac is committed to applying sound practices in risk management, including fostering a culture where risks are identified, assessed, treated and reported at various levels of operation, up to the Board level.

Mirvac's Risk Management Framework provides a guide to the Group about the methodology behind Mirvac's risk management processes. The framework incorporates aspects of work that have been performed in the past and remain relevant to the current application of risk management at Mirvac.

Prudent risk management is essential for Mirvac to continue to meet our obligations to our securityholders and regulators, as well as the broader communities in which we operate.

Constant supervision of risk management practices and allocation of resources necessary to meet appropriate performance standards is a key responsibility of Mirvac's Board of Directors and the Executive Leadership Team.

Risk Management is overseen by the ARCC as delegated by the Mirvac Board. ARCC is

responsible for reviewing Mirvac's major risks and providing recommendations on the Mirvac risk profile to the Board. Furthermore, ARCC helps to evaluate risk management strategies and the risk management system and provides feedback on reporting methods. ARCC ensures management is held accountable for implementing the Risk Management Framework. The ARCC Charter is available on our website.

The Group Risk Management team's role includes implementing an organisational risk framework to meet the requirements of the different business units and activities that comprise the Mirvac Group. As a publicly listed entity on the ASX, Mirvac has multiple obligations to meet.

The Mirvac Risk Management Framework is over-arching and designed to:

- drive business leadership in property development and investment management to strengthen their processes and procedures that support senior management and the Board in meeting their respective objectives.
- provide the Board and management with confidence that strategic risks are being effectively understood and managed throughout the businesses.
- integrate risk identification and assessment within strategic planning activities.
- ensure that risk management is a living and dynamic process, appropriately embedded in business functions and operations.
- address the needs of employees to capably perform risk management duties, including taking ownership of accountabilities.

Mirvac's Risk Management Framework is based on ISO 31000 (previously AS/NZS 4360).

In accordance with that standard, a risk is a description of an event that has not occurred but has some likelihood of occurrence and will impact on the objectives of the organisation. The impact (or consequence) is a description of the incident that results from the risk event and is measured as an impact in monetary values or equivalents. This risk needs to be analysed, evaluated and treated.

In order to make risk management more visible and relevant for users, risk profiles (registers) are maintained by all business units and project managers across Mirvac. Every major business unit, function, trust, business project and development project has a risk register. Both impact and likelihood ratings are applied to each of the risks in the profiles and appropriate mitigants (controls/actions) are disclosed.

These risk profiles are retained in a risk technology system (named ARM). The use of this system by the business/ functional units and project managers allows reports to be run using a variety of filters (e.g. individual project, all projects by state/sector/business unit/function) as well as allowing aggregated reports at varying threshold levels (e.g. all risks with an impact of \$x).

In alignment with Mirvac's financial reporting, every six months those people responsible for designing and managing the stated controls are required to attest (using the ARM system) as to the effectiveness or otherwise of their controls. If there are control weaknesses, key themes are identified and action plans established to rectify any such weakness.

#### COMPLIANCE MANAGEMENT

Mirvac is obliged to comply with a number of standards and/or regulations/legislation as a top 50 listed company in Australia, including (but not limited to):

- ASX listing rules.
- ASX Corporate Governance and Principle Recommendations.
- Insurance Contracts Act 1984.

- Trade Practices Act 1974.
- Privacy Act 1988.
- Corporations Act 2001.
- Occupational Health & Safety Act 1991.
- Anti Discrimination Act 1977.

In addition, Mirvac has introduced its own internal codes of conduct and expected behaviours of both its employees and contractors to assist in the meeting of our regulatory and legislative obligations, including:

Mirvac Code of Conduct/Ethical Business Behaviour.  
 Securities Trading Policies.  
 Continuous Disclosure Policy.  
 Sustainability Policy.

#### CLIMATE CHANGE RISKS

In 2012, Mirvac commissioned a climate risk analysis which identified 11 key climate risks that are actioned at the project level through the risk management process outlined. The risks identified are:

- higher mean temperatures.
- higher maximum daily temperatures.
- decrease in mean precipitation
- increase in frequency of intense precipitation events.
- increase in mean sea level rise.
- increase in relative humidity.
- increase in bushfire weather.
- increase of cyclones.
- increase in storm severity.
- increase in hail-related weather.

#### MATERIALITY

Understanding which issues are important to each of our stakeholder groups has been integral to our strategy. Over the last three years we have undertaken formal stakeholder engagement processes to identify and address key issues.

As we are about to commence a strategy refresh which will involve a thorough materiality assessment, this report is structured around the material issues identified previously. Details can be found in Mirvac's last three sustainability reports.

The material issues have been grouped into six focus areas:

- 1. Business conduct.
- 2. Mirvac people.
- 3. External stakeholders.
- 4. Environmental impact.
- 5. Product responsibility.
- 6. Supply chain.

The stakeholder groups represented in this process included:

- Senior management.
- Stakeholder relationship managers within Mirvac.
- Investors/financial institutions.
- Suppliers.
- Industry bodies.

- Tenants.
- Customers.

No

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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**ESG issues**

Environmental

List up to three typical examples of environmental issues

For investments in both existing and new assets environmental ratings such as the NABERS ratings / Green Star certifications of the project are considered.

Energy Consumption and Energy Efficiency and Water record/data is analysed.

Plant and Equipment Life Cycle Assessment's

Social

List up to three typical examples of social issues

Occupational health and Safety

Governance

List up to three typical examples of governance issues

Disclosure - (property performance such as NABERS and Building Energy Efficiency Certificate or BEECs).

Risk management (e.g. regulatory and reputational risk) - Code Compliance regarding building standards.

Review environmental management reports - Reviewing existing building surveys and consultant reports prepared prior to acquisition of assets.

**Selection, appointment and monitoring third-party property managers**

PR 13	Mandatory	Core Assessed	PRI 4
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PR 13.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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Yes

No

<b>PR 13.5</b>	Additional information. [Optional]
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Within Mirvac a team of professionals property managers manage all the properties within our portfolios.

## Post-investment (monitoring and active ownership)

### Overview

<b>PR 14</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 2</b>
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<b>PR 14.1</b>	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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Yes

<b>PR 14.2</b>	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
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- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and refurbishments
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify



**PR 14.3**

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

**ENERGY** - Mirvac has employed a strategy of operational excellence and prudent capital expenditure to reduce energy consumption, costs and greenhouse gas emissions. Operational efficiencies implemented by our Engineering and Operations teams are central to this strategy.

In FY13, we invested in system enhancements and worked with our supply chain partners to develop new reporting tools.

At the operational level, this system enables us to actively monitor and report energy, water and waste performance across the Investment portfolio. This reporting ability, together with investment in our people, has enabled Mirvac to achieve low-cost operational efficiencies and continue to reduce greenhouse emissions.

To assist facility managers track energy consumption, we have implemented daily automated reports of smart meter data, profiling electricity, gas and water consumption. The reports are helping our facility managers to better understand their site's energy and water usage profiles and identify performance anomalies. It also enables us to track performance against monthly and yearly trends.

The reports provide our facility managers with data and analysis to manage consumption, quickly identify performance issues and manage long-term performance. Charts of rolling annual consumption are used to remove the impact of seasonality for long-term performance analysis and tracking.

**Shopping Center Initiatives** - Logan Mega Centre, Queensland, installed voltage reduction units on fluorescent lighting to reduce energy consumption and introduced a power correction facility on both main switchboards for improved power efficiency and cost reduction.

Orange Shopping Centre, New South Wales, identified energy saving initiatives such as introducing energy-efficient hand dryers and replacing inefficient lighting within the centre. These initiatives will be implemented in early FY14.

Gippsland Centre, Victoria, introduced a recharge point for mobility scooters and wheelchairs allowing one-hour free recharge, enabling our customers to stay in the centre longer. We also upgraded our building management system to coordinate electronic time-clocks better so that air conditioning and common area lights are switched off and on at appropriate times such as winter and late night trading. Previously this was a manual process and subject to possible human error.

Greenwood Plaza, New South Wales, upgraded its public bathrooms with water-efficient cisterns and taps, and efficient LED light fittings. Escalator lighting was replaced with energy-efficient and LED strip lighting, resulting in reduced labour and downtime of the escalators. Various other inefficient lighting was replaced with LED lighting

**Office Initiatives** - Mirvac implemented a program of night audits across 21 properties to reduce out-of-hours energy consumption. The night audits form part of our operational excellence strategy. These audits identify efficiency opportunities and provide informal training opportunities for our facility managers.

Examples of outputs from this program include:

At 38 Sydney Avenue in Forrest, Australian Capital Territory, the audit identified opportunities that more than halved the property's out-of-hours consumption. The opportunities included modifying lighting schedules to more closely align with building operations, adjusting temperature set points to reduce air-conditioning unit operation, optimising the length of sensor times and identifying equipment incorrectly left in manual control. The night audit successfully reduced overnight consumption, providing an energy saving of approximately 70,000KWh and a cost saving of over \$10,000 per annum for no capital investment.

Several night audits were performed at 380 St Kilda Road in Melbourne, Victoria, to identify and resolve several sources of out-of-hours consumption saving over 130,000KWh per annum and approximately \$20,000 in energy costs.

We have also implemented a trial of LED lights on a tenant floor at 380 St Kilda Road, Melbourne, Victoria

**WATER** - We continue to focus on reducing our water consumption within our existing assets although we recognise the need to do more.

We are continually looking at new initiatives such as rain water capture and greywater recycling, but often find improving our management practices, especially relating to cooling towers, can achieve good improvements.

Mirvac has implemented a range of initiatives to reduce water consumption across our divisions.

Retail - Orange Shopping Centre, New South Wales, identified opportunities to install AAA rated taps and cisterns

Commercial - 8 Chifley, Sydney, New South Wales, has a blackwater recycling treatment facility which treats and reuses building and main sewer, reducing the demand for potable water and discharge to sewer. Using this technology, 8 Chifley will achieve at least 75 per cent recycled and reused water. This represents approximately 12,250kL per year of reused and recycled water.

Office tower, Cathedral + Treasury Precinct, in Perth, Western Australia, is expected to achieve 50 per cent savings in potable water use and sewage discharge through a greywater recycling plant by treating waste water from hand basins and end-of-trip shower facilities. The recycled water will be used for landscape irrigation and toilet flushing.

A night audit at 189 Grey Street in Southbank, Queensland, was conducted to determine the cause of high overnight water consumption. The audit identified a problem associated with the cooling towers and enabled this to be rectified immediately. If the issue had not been found and resolved more than 10,000kL of water would have been lost, costing \$36,000.

Residential - ERA at Chatswood, New South Wales, installed rainwater storage tanks with a capacity of 140,000L.

Harold Park, New South Wales has installed a 90,000L recycled water tank in stage one of the development and a 50,000L recycled water tank in stage two.

An Integrated Water Management Plan at Eastern Golf Course, Victoria, once approved, will provide 100,000L of underground water storage, providing filtered water for irrigation purposes for open space and streetscape reserves.

Case Studies - Mirvac is focused on reducing the environmental impact of our

assets.

At 340 Adelaide Street, Brisbane, we have introduced a range of water-saving initiatives to reduce consumption, such as planting drought-tolerant species to reduce watering requirements, refined time schedules for the landscaping automatic watering system, which turn off the system during periods of constant or heavy rain, regular water audits and daily monitoring of water consumption through automated smart meter data reports.

These initiatives have reduced water consumption by 4,838kL, which is a 33 per cent reduction in water use at the site. The reduction is equivalent to almost two Olympic-sized swimming pools and has lifted the property's NABERS Water rating by a whole star to 4 Stars.

At 40 Miller Street, North Sydney, New South Wales, the team has performed several water audits to find leaks identified by daily smart meter data reports. The reports have enabled the site team to quickly identify and find leaks before significant loss of water occurred.

As a result, water consumption has been reduced by 2,633kL, representing a 19 per cent reduction in water usage at the site. This is the equivalent to an Olympic-sized swimming pool and has lifted the property's NABERS Water rating by a half a star to 3 Stars.

**WASTE** - We have seen a major improvement in recycling during construction, in particular, during demolition. This has helped the team to improve our Development recycling rate to 92 per cent.

We continue to review management practices and engagement strategies in the existing portfolio that will help the business to deliver higher recycling rates in the future. Waste audits are underway at several assets to identify waste recycling potential and enable the team to create targeted waste management plans.

Mirvac Investment Division's waste stream has remained relatively constant for the past year, however, our Development Division operates in a cyclical market. The increase in Development waste for FY13 can be attributed to an overall increase in activity and our role as principal contractor for the demolition of the Office tower, Cathedral + Treasury Precinct in Perth.

**Initiatives** - Rhodes Shopping Centre, New South Wales, in conjunction with Canada Bay Council offered a free e-waste pick up service for all retailers and commercial tenants.

Orange City Centre, New South Wales, introduced a successful co-mingled recycling for tenants, which equates to a saving of approximately 10 per cent or \$5,000 per annum. Green waste bins will be introduced in July 2013.

Mirvac's Sydney head office provided employees with KeepCups to discourage the use of disposable coffee cups.

The team at 650 Chapel Street, Victoria, partnered with Green Hearts Recyclers for a refurbishment to recover 2,682kg of scrap metal and wire and auction office furniture for reuse. The recycling and reuse project generated revenue of \$8,749 dollars for Green Hearts. Green Hearts collects second-hand office furniture, equipment and scrap metals from companies around Melbourne, and profits from the sales are donated to five charities. The primary objective of the program is to keep good reusable office furniture and equipment out of landfill and put it back into

productive use in our community.

**SOCIAL / COMMUNITY** To assist Mirvac's Development teams better engage with the communities in which they operate, we developed an internal set of 'Community Consultation Frequently Asked Questions ("FAQ") and a consultation matrix. These tools act as a guide to improve the effectiveness and consistency of our programs nationally by providing a series of suggested steps to implement a community consultation plan, where relevant to a project.

Mirvac recognises that effective engagement with stakeholder groups is good business practice and invaluable to achieving key community, project and corporate outcomes. Existing communities are often a good source of knowledge about their own issues and needs, giving way to a process that often results in the development of solutions that are more holistic, integrated and creative.

Given the variability in the socio-economic, cultural and regulatory environments across which Mirvac operates, the Community Consultation FAQs are not intended to be prescriptive. Consistent with the role of Mirvac development managers, the tools focus on the community consultation process rather than the actual human interactions that occur during implementation. The FAQs are primarily advisory in nature, based on five key elements, suggested best practice and AA100 Stakeholder Engagement Draft Standard 2011.

The tools acknowledge that there are different approaches to undertaking community consultation and actively engaging participants. Flexibility has been incorporated ensuring that community consultation plans are tailored to the needs of each project.

Reviewing the need to undertake community consultation is part of our Project Delivery Process. The FAQs and matrix will assist in improving our consultation processes by:

- Encouraging teams to consider consultation early within the planning process
- Ensuring adequate resources are in place
- Helping establish clear consultation goals and level of impact
- Identifying who needs to be consulted and the best technique(s) to encourage active participation
- Maintaining a record of activities undertaken
- Evaluating the success of the plan and how the issues raised during the consultation process were addressed

#### ENGAGING WITH OUR RETAIL COMMUNITIES

Our Retail teams are focused on a consistent approach to engaging with local communities through the Retail Community Charter.

At a corporate level the Mirvac Retail team's Community Charter is:

"Our shopping centres reflect the unique and diverse communities in which we operate. We strive to engage with our stakeholders to understand local values and needs, to enhance the way people shop and connect with our centres, and how our centres contribute to their communities."

Localised charters will be developed for each shopping centre. To date, two centres have local charters and this process has been a useful learning process to establish the best way forward for this program. In the coming year a retail-wide working group will be developed to steer this process across additional centres. Key

learnings from the pilot centres will be shared with the working group to ensure program goals are aligned.

Christmas stars at Broadway - In the lead up to Christmas in 2012, Broadway offered everyone the chance to shine for OzHarvest and see themselves on a five-metre tall digital Christmas tree! The digital tree projected consumer-generated photos and messages onto eight large digital screens. It was a spectacular production and the first of its kind in Australia.

For every upload, Broadway donated \$1 to OzHarvest, a non-denominational charity that rescues excess food that would otherwise be discarded. Each dollar raised allowed OzHarvest to provide one meal to someone less fortunate. The campaign raised \$6,638 representing 6,638 meals to those in need at Christmas.

X-Factor star at Hinkler Central - In November 2012, Hinkler Central held a charity concert for a local four-year-old with a bilateral hearing loss. Her family are raising \$97,000 required for corrective surgery in America.

'Song 4 Alana' was an initiative with a number of businesses in the community. Local song writers were invited to write and perform a song for Alana - the first she will hear after her surgery. Twenty-four entries were received, including one from Justin Standley a star from X-Factor. The day helped to raise more than \$2,000 for the cause. Being involved in the campaign and competition from conception to completion, Hinkler Central was able to achieve more than \$53,000 in PR value as a result of press, local news appearances on both Channel 7 and WIN, numerous radio interviews and online coverage from local media partners

#### COMMUNITY INVESTMENT

Mirvac is a member of the London Benchmarking Group ("LBG") Australia and New Zealand and this year we measured our corporate community contributions using the LBG methodology across the Group. Mirvac has invested \$1.2m (including management costs) into the community, as verified by LBG Au& NZ. This investment included activities ranging from space in our shopping centres to community events, cash donations and sponsorships. In addition, the LBG model recognises that third-party contributions from donors such as employees and customers have been enabled by Mirvac's investments to the value of \$116,686.

The LBG methodology provides a transparent and reliable method to measure and benchmark contributions.

Community Day 2013 - Our Investment Division held its second annual Community Day on Tuesday, 14 May 2013.

Community Day is about connecting with and assisting the communities where our shopping centres operate. The Community Day initiative provides an opportunity for employees to make a difference in the communities in which they work and live, supporting the not-for-profit group selected by each centre.

Community Day proved once again to be a very rewarding exercise, not only for the community partners involved but also for all the employees who participated with:

- 1,228 hours donated
- \$23,034 raised in donations for our community partners
- 14 community partners
- 13 shopping centres

- 185 staff involved.

Teams worked on projects such as refurbishing classrooms, garden beds and playgrounds, assisting with sorting food for meals on wheels, and general upgrades such as painting, cleaning and concreting for hospitals, schools and community services.

No

## Property monitoring and management

PR 15

Mandatory

Core Assessed

PRI 2,3

PR 15.1

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

### ESG issues

- Environmental

List up to three example targets per issue

Mirvac set a 4.5 Star NABERS Energy rating across applicable Mirvac operated assets by June 2013. Mirvac Achieved an average 4.66 Star by June.

Mirvac set a 3.5 Star NABERS Water rating across applicable Mirvac operated assets by June 2013. Mirvac achieved 3.54 Stars by June.

An increase in our percentage of Waste recycling in our development business to 92% well above the 80% targeted.

- Social

List up to three example targets per issue

Employee Engagement - The Mirvac employee engagement survey for 2013 produced an increase in employee engagement from 56% in 2012 to 66% in 2013

Mirvac monitors the lost time injury frequency rate ("LTIFR") with a target of <5 for the FY2013 year this was 3.9

Mirvac Asset Management - tenant liaison The Tenant Liaison Centre provides a 24 hour, 7 days a week touch point for tenants to raise requests.

- Governance

List up to three example targets per issue

NGERS compliance reporting and auditing of energy data by external auditors annually to ensure business processes and data capture on sites is accurate and complete.

Auditing of our financial reports annually ensure that policies and charters are being adhered and assets are being correctly represented providing assurance to investors.

We do not set and/or monitor against targets

**PR 15.3** Additional information. [Optional]

Mirvac Asset Management (MAM) sits within the integrated Mirvac Group as a key service provider for the Mirvac Group, both staff and contractors, work across Australia everyday to ensure that our clients' assets are managed effectively in retail, office and industrial asset portfolios. A key operational function of MAM, as a part of the Mirvac Group, is its involvement in the development of new assets and the redevelopment and refurbishment of existing assets. Working alongside Mirvac's Development and Construction divisions, MAM offers management and operational expertise to the development process, assisting with a range of activities designed to maximise the return on investment, and minimise disruption to tenants and owners.

The Tenant Liaison Centre provides a 24 hour, 7 days a week touch point for tenants to raise requests pertaining to their building or emergencies. The TLC is manned by phone, online system and email including mobile coverage after hours. The TLC ensure that all requests are logged in Mirvac's MEX system and furthermore, they follow the request through to completion by ensuring that our site teams are responding within an appropriate timeframe and in an appropriate manner. As at Feb 2014 the Average days open for a customer request is 1.97 days.

Monthly performance ratings are prepared for all key assets and a scorecard is produced to monitor and manage the assets performance.

**Property developments and refurbishments**

<b>PR 17</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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**PR 17.1** Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- >90% of active developments and refurbishments
- 51-90% of active developments and refurbishments
- 10-50% of active developments and refurbishments
- <10% of active developments and refurbishments
- N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

**PR 17.2**

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- Minimum environmental site selection requirements
- Minimum environmental site development requirements
- Sustainable construction materials
- Minimum water efficiency requirements
- Minimum energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Other, specify

**PR 17.3**

Additional information. [Optional]

Mirvac consider ESG issues in all new developments and refurbishments. The Green Star Design rating tool is typically used to guide the development process and target a holistic range of ESG issues.

For smaller refurbishments Mirvac predominately targets improvements in NABERS Energy and Water ratings (for example Chillers upgrade projects will analyse and target energy efficiency opportunities and NABERS Energy rating improvements).

Mirvac Plus Score Card- As part of our outcomes-based approach, the MirvacPlus Residential Scorecard (internal system) was developed in 2009 to provide a consistent metric-based sustainability performance tracking tool across all residential projects. The scorecard includes a series of mandatory requirements and stretch opportunities across 10 categories: ecology and construction management, transport, social community and education, energy, water, indoor environment quality, materials, waste, economic development and innovation.

Reviews and updates are undertaken annually to ensure the scorecard remains relevant. In FY13, the MirvacPlus Residential Scorecard for apartments was taken through a review process which included a users' survey, review of new legislative requirements and final approval from the National Development Sustainability Committee and CEO, Residential Development.

Major changes this year include the addition of a site-selection checklist, recognition of community consultation and community engagement initiatives, formalising of innovation credits, and an update of energy targets in line with current legislation (BCA 2010). In operation Mirvac utilise the NABERS Energy and Water rating tools to provide a normalised performance benchmark. Individual and portfolio NABERS targets are used to drive and track performance.

## Occupier engagement

**PR 18**

**Mandatory**

**Core Assessed**

**PRI 2**



**PR 18.1** Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

**PR 18.2** Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Other, specify

The Tenant Liaison Centre provides a 24 hour, 7 days a week touch point for tenants to raise requests pertaining to

**PR 18.3** Additional information. [Optional]

- Distribute a sustainability guide to occupiers - Retailers are provided with a Green fit out guide
- Organise occupier events focused on increasing sustainability awareness - At 3 sites Mirvac delivers Building Management Committee Meetings that provide feedback on energy, water and waste performance
- Feedback on energy and water consumption and/or waste generation - NABERS Energy and Water ratings are displayed on site and some sites use lift screens to communicate the rating with tenants
- Our MAM Tennant Liaison Center carry out occupier satisfaction surveys - All tenants in the Office portfolio are surveyed annually to determine satisfaction and identify issues. The survey includes a range of ESG questions to determine tenant priorities and requirements. The Retail portfolio uses a 'mystery shopper' approach to gather feedback from tenants.
- Earth hour - Mirvac has participated in every earth hour and encourages our tenants to join us in this international environmental event

**Communication**

<b>PR 23</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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**PR 23.1** | Indicate if your organisation proactively discloses ESG information on your property investments.

Disclose publicly

provide URL

<http://ext.mirvac.com/2013sustainabilityreport/>

provide URL

[http://groupir.mirvac.com/icms\\_docs/177017\\_MGR - Annual Report 2013.pdf](http://groupir.mirvac.com/icms_docs/177017_MGR_-_Annual_Report_2013.pdf)

**PR 23.2** | Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- Other property reporting standards, specify
- No property specific reporting standards are used

**PR 23.3** | Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

Yes

**PR 23.4** | Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ESG information on how you select property investments
- ESG information on how you monitor and manage property investments
- Information on your property investments' ESG performance
- Other, specify

**PR 23.5** | Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc, specify

**PR  
23.6**

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

Mirvac publishes its Corporate Responsibility Report Annually in which describes all the activities undertaken within the reporting year. This can be references at <http://ext.mirvac.com/2013sustainabilityreport/>

In addition to this Mirvac also publishes Full and Half yearly financial reports and corresponding Property Compendiums. This information is made publicly available and can be located at our investor information hub located at

<http://groupir.mirvac.com>

- No
- Disclose to clients/beneficiaries only
- No proactive disclosure to the public or to clients/beneficiaries