

# SUSTAINABILITY PROGRESS REPORT 2008



 BOND UNIVERSITY  
MIRVAC SCHOOL OF  
SUSTAINABLE DEVELOPMENT



## IN THIS REPORT

1	MANAGING DIRECTOR'S STATEMENT
2	EXECUTIVE SUMMARY
3	ABOUT MIRVAC
4	BUSINESS CONDUCT
6	MIRVAC PEOPLE
12	STAKEHOLDERS
15	SUPPLY CHAIN
16	ENVIRONMENTAL IMPACT
18	CLIMATE CHANGE ACTION
21	BENCHMARKS AND AWARDS
22	PROGRESS REVIEW

## ABOUT THIS REPORT

This report covers the activities of the Mirvac Group where sustainability commitments and targets have been adopted. Exceptions where individual strategies have not yet been adopted comprise:

- › A small number of Mirvac Investment Management managed schemes: Mirvac Industrial Trust; Mirvac Tourist Park Fund; Mirvac Domaine Hunter Fund; Mirvac Domaine Diversified Property Fund; Mirvac Domaine Land Fund; Mirvac Mezzanine Capital Fund.
- › A limited number of Mirvac Investment Management joint ventures: JF Infrastructure Yield Fund; Mirvac Aqua Income Fund; Mirvac Aqua High Income Fund; Mirvac Aqua Enhanced Income Fund; Mirvac Aqua Senior Debt Pool; Mirvac Aqua Construction Debt Pool; Mirvac Aqua Mezzanine Debt Pool; Quadrant Fund; California Community Mortgage; Core Mortgage Funds 1 & 2; Institutional Commercial Mortgage Fund No's 2 - 5; City Regeneration Fund.

The following Mirvac Investment Management joint venture activities have adopted their own sustainability initiatives, but are not reported here:

- › Australian Sustainable Forestry Investors; New Zealand Sustainable Forestry Investors; JF Infrastructure Sustainable Equity Fund.

## TIMING

Activities detailed in this report cover the period 1 October 2007 - 31 September 2008, except for HSE reporting and energy / GHG data which covers the 2008 financial year.

Mirvac is moving to align the sustainability reporting period with the Australian financial reporting year, and will report on the period July 2008 to June 2009 in the 2009 report. Previous sustainability reports were based on the calendar year.

## CERTAINTY OF DATA AND CALCULATION OF GREENHOUSE GAS (GHG) EMISSIONS

Data on electricity purchased and use of gas for which Mirvac has financial responsibility are a mix of direct metering and account records and are considered accurate to within 5%.

Use of fuel from properties was self-reported by Mirvac Asset Management for internally-managed assets, and external managers. Data from Mirvac Development was generated from direct metering and account records in each State.

The following tools and resources were utilised in calculating GHG emissions reported:

- › National Greenhouse Accounts (NGA) Factors. January 2008

## FEEDBACK

Please help Mirvac improve the sustainability report by sending comments through the website feedback function at [www.mirvac.com](http://www.mirvac.com)

# MANAGING DIRECTOR'S STATEMENT

THE 2008 FINANCIAL YEAR HAS BEEN A CHALLENGING PERIOD FOR COMPANIES OPERATING IN FINANCIAL MARKETS AND IN PARTICULAR, THE REAL ESTATE INDUSTRY. WE HAVE WITNESSED SIGNIFICANT CHANGES IN THE MARKET IN WHICH WE OPERATE AND WE HAVE ACTED SWIFTLY AND PRUDENTLY TO REVIEW AND ADJUST OUR BUSINESS.



Amidst these challenges, our commitment to sustainability has not diminished. It remains an important pillar of our business and we continue to strive to be an industry leader, albeit tempered by a conservative approach in line with our business strategy.

Over the past 12 months, we have made positive steps across each of our business units. I am particularly pleased with the development and adoption of the MirvacPlus Residential Sustainability Scorecard, which delivers a consistent standard of environmental and social outcomes across all new residential projects, and provides the structure to raise the bar and achieve greater levels of performance where appropriate. In all future projects, Mirvac residential developments will move beyond compliance.

Another highlight and industry first, was the ambitious upgrade of 101 Miller Street, North Sydney, a flagship premium grade office building. The transformation includes a state of the art trigeneration system, dramatically cutting greenhouse gas emissions, while providing a more secure and low cost source of energy for our tenants. 101 was recently awarded a 5 star Green Star rating - representing Australian Excellence, and is now 95% leased, only a few months after completion.

As our approach to sustainability matures, we have revisited all previous commitments. We will embed many of these commitments as on-going business practice, continue to pursue those not achieved this year and remove those no longer considered material to our business.

I remain committed to providing stakeholders with credible, transparent and timely information on our sustainability performance, both where we have succeeded, and where we have room to improve.

I encourage your feedback on our sustainability progress to date.

**Nick Collishaw**  
Managing Director

# EXECUTIVE SUMMARY

**FOR THIS, THE THIRD PUBLIC SUSTAINABILITY REPORT FOR THE MIRVAC GROUP WE HAVE TAKEN A DIFFERENT APPROACH. OUR 2007 REPORT DETAILED OVER 100 COMMITMENTS AND TARGETS ACROSS OUR SIX SUSTAINABILITY PRIORITY AREAS - BUSINESS CONDUCT, MIRVAC PEOPLE, STAKEHOLDERS, SUPPLY CHAIN, ENVIRONMENTAL IMPACT, AND CLIMATE CHANGE ACTION.**






This was an ambitious undertaking and the timing of its implementation coincided with an unprecedented downturn in global markets that necessitated a refocus of attention in the short term. We were unable to achieve all that we set out to and accordingly, the focus of this report has been on summarising the significant progress to date with many considerable achievements to report. Highlights include:

- › The MirvacPlus Residential Sustainability Scorecard which provides sustainability design guidance and performance tracking for all residential projects, and delivers a consistent standard of environmental and social outcomes across all projects. Simultaneously, the Scorecard provides a framework for project teams to raise the bar and achieve greater levels of performance where appropriate.
- › 2008 marked the inaugural year of the Mirvac Foundation, which was established to connect with those most in need in the communities in which we operate. Housing and accommodation are topics that are the cornerstones of our business and the lifeblood of Mirvac's culture, and in the Foundation's inaugural year, the theme Mirvac has chosen to support is homelessness.
- › Mirvac participated in the Carbon Disclosure Project for the third time this year, significantly expanding report coverage to 166 assets, up from 63 last year, and including a number of previously unrecorded emissions sources. Mirvac was again recognised in the Goldman Sachs JBWere Climate Disclosure Leadership Index, our third consecutive listing, acknowledging demonstrated leadership in disclosure across a range of investment-relevant climate change issues.

- › Four properties received Green Star ratings - Orion Springfield shopping centre in south-east QLD was awarded a world leading 6 star Green Star rating (Shopping Centre Design - Pilot); 5 Rider Boulevard, Rhodes Waterside, NSW achieved a 4 star Green Star rating (Office Design V2); 101 Miller Street, North Sydney NSW achieved a 5 star Green Star rating (Office Design V2); and the Mirvac designed Bond University's Mirvac School of Sustainable Development in QLD gained a 6 star Green Star rating (Education - Pilot).
- › Mirvac has maintained its listing on the United Kingdom's FTSE4Good Global Index, and has been listed on the Australian SAM Sustainability Index (AuSSI) which recognises Mirvac as one of the top sustainability-driven companies within the Australian economy.

As part of the progress report preparation, all previous commitments have been revisited. Many management focused commitments will be embedded as on-going business practice. The majority of those not achieved to date will be pursued, while a small number, which are no longer considered material to our business, will be removed.

We have not applied the Global Reporting Initiative G3 (GRI G3) Guidelines to this progress report, but will do so for the 2009 report. Mirvac's 2009 report will provide full detail on all sustainability activities to end of the 2009 financial year. This will align Mirvac's sustainability reporting period with the Australian financial year.

Progress	Target Status	Number
	Achieved	72
	Mostly Achieved	6
	Work in Progress	38
	Work Begun	30
	Not Achieved	26
	Total	172



# ABOUT MIRVAC

**MIRVAC IS A LEADING INTEGRATED REAL ESTATE GROUP, LISTED ON THE AUSTRALIAN SECURITIES EXCHANGE (ASX) WITH APPROXIMATELY \$27.2 BILLION OF ACTIVITIES UNDER CONTROL ACROSS THE REAL ESTATE SPECTRUM.**

Established in 1972, Mirvac has more than 36 years of experience in the real estate industry and has an unmatched reputation for delivering quality products across all of its businesses.

## Investment

Mirvac Property Trust (MPT), part of the stapled entity of Mirvac Group, has a diverse portfolio of 56 investment grade assets valued at \$4.1 billion. The portfolio includes commercial offices, retail centres, industrial properties, hotels and carparks, leased to quality tenants including leading Australian and international companies.

Mirvac Hotels & Resorts are renowned for an uncompromising level of service and attention to detail and have approximately 5,300 rooms under management across 43 properties in Australia, New Zealand and the South Pacific, making it one of the largest Australian-owned hotel groups.

Mirvac's Retail team manage over \$3 billion of retail assets across Australia, including Orion Springfield Town Centre, Broadway Shopping Centre and Rhodes.

Mirvac's Investment Management team supports the Group's core activities - Investment and Development. They are involved in both listed and unlisted funds with wholesale and retail investors. The business manages approximately \$7.2 billion on behalf of more than 35,000 institutional and retail investors.

## Development

Mirvac's Development division manages large scale residential, commercial, retail, industrial, and hotel developments, and currently has approximately 31,000 lots under its control that will be progressively developed over the next 8-10 years.

Mirvac is one of the leading brands in the Australian development and construction industry and has a proven track record of delivering innovative and quality products that exceed customers' expectations.

## FINANCIAL HIGHLIGHTS

The net profit after tax for the Group for the year ended 30 June 2008 was \$171.8 million and operating profit (before specific non-cash and significant items) was \$352.2 million.

The Mirvac Group's net profit attributable to the stapled securityholders of \$171.8 million was impacted by asset impairments totalling \$400 million.

	FY08	FY07
<b>Statutory</b>		
Net Profit After Tax	\$171.8m	\$556.1m
Earnings Per Security <sup>1</sup>	16.58c	58.65c
Net Tangible Assets per stapled security <sup>1</sup>	\$3.77	\$3.80
<b>Operating</b>		
Operating Profit <sup>2</sup>	\$352.2m	\$319.1m
Earnings Per Security	33.44c	32.97c
Distribution Per Security	32.90c	31.90c

<sup>1</sup> EPS and NTA based on issued securities excluding EIS securities.

<sup>2</sup> Operating profit after tax excluding specific non-cash and other significant items.

# BUSINESS CONDUCT

Focus	Objective
Management of Sustainability	To effectively manage sustainability performance across the Group.
Corporate Governance	To maintain a high standard of honest, ethical and legal business behaviour in accordance with Mirvac policies at all times.
Industry Advancement	To contribute to advancing the sustainability of the Real Estate Investment Trust sector.

### SUSTAINABILITY COMMITTEES

Mirvac has established Sustainability Committees at the Group-level and in each State Development team. These committees are drawn from representatives across the organisation, with the responsibility of managing and reporting on a broad range of sustainability issues, focusing on Mirvac’s six priority areas. The State Committees report directly to the Group Sustainability Committee, and their State Executive Committees. Mirvac is also working to formalise consideration of sustainability within the remaining business units, including Investment and Hotels & Resorts.

Mirvac’s Group Sustainability Committee, chaired by Mirvac’s Group Sustainability Manager is responsible for overseeing action against Mirvac’s sustainability strategy, targets and commitments.

Mirvac’s Group Sustainability Manager also provides regular formal and informal progress reports to Mirvac’s Managing Director and Executive Directors.

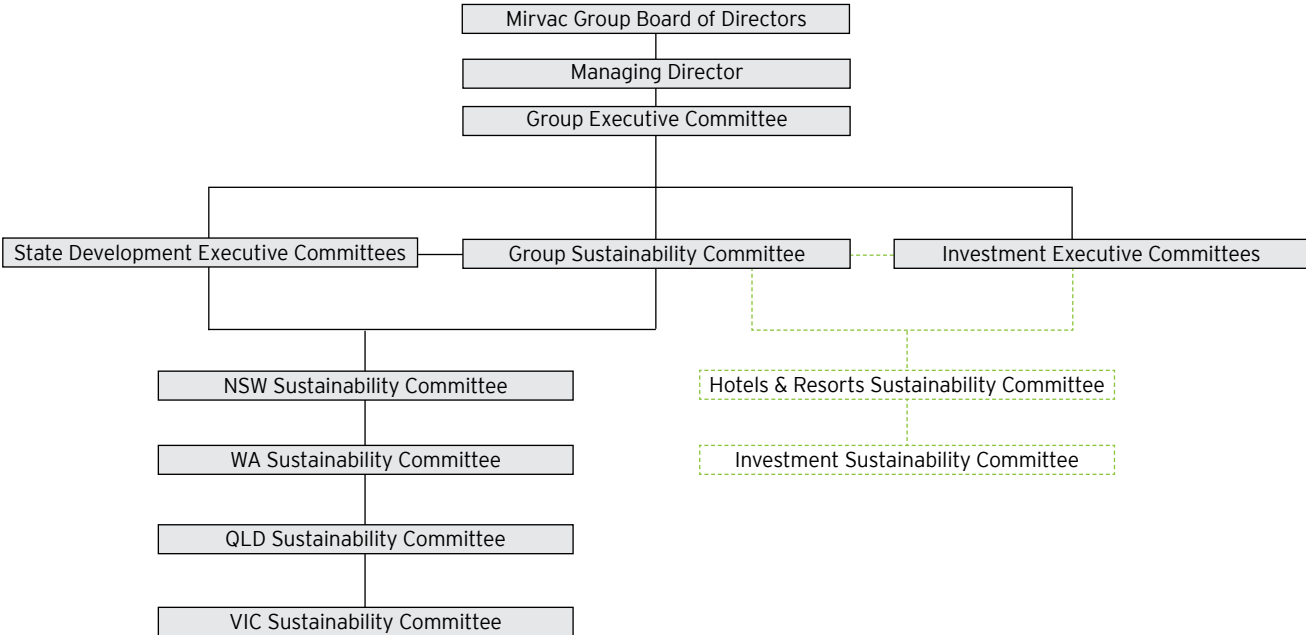
The Executive Committee receives reports and recommendations from the Group Sustainability Manager as developed by the Group Committee. Board reports are provided on specific issues as required.

### CORPORATE GOVERNANCE PRINCIPLES

Mirvac has implemented various systems and processes to ensure that the interests of securityholders and other stakeholders in the Mirvac Group are protected at all times.

Mirvac reported in its 2008 Corporate Governance Statement that its governance practices complied with the ASX Corporate Governance Council’s (Council) publication

**Mirvac Group Sustainability Committee Structure**



----- not yet established

“Corporate Governance Principles and Best Practice Recommendations” (Recommendations) which were issued in 2003.

During the 2007-08 year the Council published its revised Recommendations, which Mirvac will apply to its financial year commencing 1 July 2008, with compliance to be reported in its 2009 Annual Report. However, Mirvac has moved to adopt these Recommendations presently and considers its practices do comply with the Recommendations in all aspects unless disclosed otherwise in its 2008 Annual Report.

Copies of Mirvac’s corporate governance policies and practices are posted to its website as required by the Recommendations ([www.mirvac.com](http://www.mirvac.com)).

## INDUSTRY ADVANCEMENT

Mirvac continues to be actively involved in promoting sustainability throughout the Real Estate Investment Trust sector, including through the Property Council of Australia where Mirvac representatives sit on State and National Sustainability Committees. Mirvac’s outgoing Managing Director was a Board member of the Green Building Council of Australia (GBCA), and Mirvac has been involved in the development and piloting of a number of GBCA rating tools.

Mirvac also supports the National Australian Built Environment Rating System (NABERS) suite of tools, and has participated in a number of technical advisory groups and pilot projects. All Mirvac owned hotels participated in the NABERS Energy (Hotel) rating tool development, with suitable hotels to be rated officially in 2009. Mirvac also supports a range of State-level initiatives, including the VicUrban Sustainable Community Rating Scheme in VIC, and EnviroDevelopment in WA.

Mirvac has been actively involved in a number of policy consultation and development initiatives, both at a State and Federal level, in particular the *Energy Efficiency Opportunities Act 2006* and the *National Greenhouse and Energy Reporting Act 2007*.

During the past year, Mirvac has had limited involvement in international corporate sustainability initiatives, having focused efforts on domestic initiatives, and internal issues

Representatives from Mirvac have presented at various high profile conferences on specific Mirvac projects, as well as sustainability within the property sector and more broadly. Most notably, Mirvac presented at the World Sustainable Buildings Conference in Melbourne this year, highlighting two landmark Mirvac projects - Waverley Park, VIC and 101 Miller Street, North Sydney, NSW.

Mirvac also joined over 150 global companies through the Prince of Wales’ Corporate Leaders’ Group on Climate Change in advocating for strong, early action on climate change. The Bali Communiqué was presented to political leaders from around the world in advance of the 2007 United Nations Climate Change Conference in Bali, Indonesia, calling for an ambitious, international and comprehensive legally-binding United Nations agreement to reduce GHG emissions.

Mirvac will continue to seek opportunities to promote sustainability within the property industry both domestically and internationally.



### BEACHSIDE LEIGHTON, WA

In May this year Mirvac began work on an incredible transformation of 2ha of former industrial rail yards into an exciting beachside community, featuring approximately 150 apartments and terraced homes, retail outlets, a boutique hotel, restaurants, cafes and shops.

Mirvac’s Beachside Leighton has been modelled to achieve an average 7 star rating under the Nationwide House Energy Rating Scheme (NatHERS), exceeding the Building Code requirement by 75 percent, and also includes rainwater tanks with a total capacity of 265 kilolitres, to be used for toilet flushing and washing machines throughout the development.

Bicycle parking for residents and visitors has been provided, while pedestrian friendly pathways connect the development with the existing North Fremantle rail station, as well as one of WA’s most beautiful bike and pedestrian paths, with magnificent views of the beach.

Beachside Leighton Stage 1, the luxury residential component of the development, was awarded the prestigious WA Housing Industry Association (HIA) GreenSmart Design Concept Award, and was a finalist in the National GreenSmart Awards.

# MIRVAC PEOPLE

Focus	Objective
Health and Safety	To minimise risk and prevent harm to people or the environment.
Corporate Culture	To foster a high performance culture committed to sustainability.

## HEALTH SAFETY ENVIRONMENT

### Policy and Philosophy

Health Safety Environment (HSE) is central to Mirvac's core business values. Our vision is simple – to provide workplaces free from harm and supported by a culture which ensures that the safety of people and protection of the environment remains an absolute priority.

### HSE PERFORMANCE

#### Organisational Culture

Mirvac's HSE culture continues to evolve beyond a simple legislative compliance mentality towards a culture where sincere concern for people and the environment drives HSE Management and its seamless integration with all business activities.

A culture survey was conducted in February 2008 to gauge attitude towards the management of HSE, HSE reporting and HSE role modelling across Mirvac. Overall, the results of the survey identified promising aspects of cultural maturation along with opportunities for improvement, which are currently underway. The survey will be undertaken again in 2009 to gauge cultural change.

#### Lead Indicators

Compliance scores relating to Mirvac's lead indicators for HSE continued to improve towards stretch/outstanding performance. The indicators include measures of senior management commitment, incident reporting, community contacts, waste reporting and training.

#### Lag Indicators

Overall Mirvac recorded a Lost Time Injury Frequency Rate (LTIFR) of 17 in 2008 and a Rolling Average over the past five years of 14. The Average Time Lost (ATL) through injury across Mirvac in 2008 was 12 days for all workers at Mirvac workplaces and 13 days for Mirvac employees alone.

The Environmental Incident Frequency Rate (EIFR) across Mirvac for 2008 was one and the Rolling Average achieved over the three years was two.

## LTIFR & EIFR performance data

Year	Index	Mirvac (Direct Labour [staff] per million hours)	*Australian Industry Average
2004	LTIFR	16	10.1
2005		11	9.7
2006		8	9.2
2007		17	8.8
2008		17	
<b>Rolling Average</b>	<b>LTIFR</b>	14	
2006	EIFR	3	
2007	EIFR	1	
2008	EIFR	1	
<b>Rolling Average</b>	<b>EIFR</b>	2	

\*NOTE: The Australian Industry Average is calculated from the National Data Set Comparative Performance Monitoring Report published by the Workplace Relations Ministers' Council.

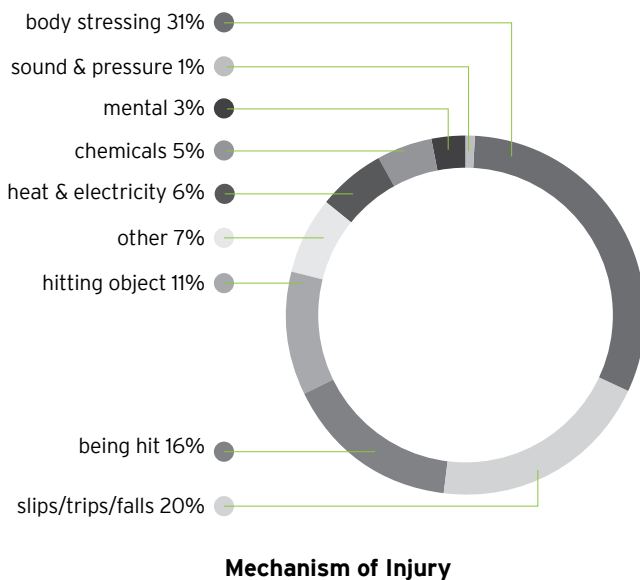
## Mechanism of Injury

Injury prevention remains the primary objective of Mirvac's approach to health and safety management. Statistical claims data identified the predominant mechanisms of injury across Mirvac employees for 2008 as body stressing; slips, trips & falls; being hit by moving objects and hitting (walking into) objects.

The injury mechanism outcomes for 2008 were an improvement over the previous reporting period and better than the Australian average for all industries published in the 10th Comparative Performance Monitoring Report (Workplace Relations Ministers' Council) which lists body stressing as 41% and slips trips and falls as 22%.

Mirvac has commenced a training and awareness program to further reduce the principal causes of injury across the Group.





**Mechanism of Injury**

**COMPLIANCE**

**Occupational health and safety**

In 2008 Mirvac was found in breach of its duty to provide safe systems of work and fined \$55,000 when a subcontractor was injured at the Waverley Gardens Shopping Centre development in VIC in September, 2005.

**Environment**

Within Mirvac’s HSE reporting systems, including internal and external audits and inspections, no incidents of significant harm to the environment occurred across the Group for the 2008 reporting period. However, Mirvac’s development projects across Australia were issued a total of 13 environmental infringement notices throughout 2008 with a total value of \$12,980. The notices related to minor incidents of environmental impact at Mirvac development sites and included: eight instances of inadequate sediment barriers; three instances of noise emission outside defined hours of work; one clean up notice and one administrative notice.

**LEARNING & DEVELOPMENT**

Mirvac continued with specialised HSE learning and development activities throughout the year. Participation by staff in HSE training initiatives numbered 6,903, which was an increase in the participation rate of 330% over the previous reporting period. A total number of 18,571 HSE training hours were recorded across Mirvac.

**SWANBOURNE LOT 62, WA**

Mirvac, in partnership with LandCorp are developing three courtyard houses and four terraced homes on the western edge of the former Swanbourne High School site. The development introduces a range of innovative construction methods including the use of light weight materials and a significant focus on environmentally-friendly design strategies across the planning and construction phases.

Homes include excellent cross-ventilation, ceiling fans, high levels of insulation and appropriate summer shading. The homes take full advantage of orientation, with all main living areas and private open spaces facing north to capture the winter sun and maximise natural lighting.

Each home includes a 5,000 litre rain water tank and a 1.5 kW photovoltaic system, and will achieve greater than 6 stars under the NatHERS rating system.

Learning and development continues to remain an important strategic element of Mirvac’s HSE strategic planning for the 2009 financial year and includes the implementation of a “Licence to Operate” which will require all staff, including all levels of management, to undertake a minimum eight hours HSE training. The objective of the training is the integration of HSE as a core competency for all Mirvac staff in the areas of: hazard identification, risk management, environmental awareness, incident investigation, anti harassment and manual handling.

**NOTABLE HSE INITIATIVES**

**Young Worker Program**

Launched nationally across all Mirvac construction sites in 2006 the Program has achieved improved safety outcomes for young workers and industry recognition as an important initiative. The Program is now being implemented into Hotels & Resorts based on the principles of easy identification and high visibility. The Hotels & Resorts Young Worker Program features the use of brightly coloured Mirvac branded neckerchiefs and breastpins for young workers.

**FORWARD DIRECTIONS**

Mirvac’s HSE Strategic Plan 2008-2009 establishes seven priority areas for action, broadly grouped into foundation objectives, outcome objectives and enabling

## HSE Priority Areas 2008-2009

<b>Foundation Objectives</b>	1. Further develop and implement the elements of the Mirvac HSE Management System.
	2. Improve, consolidate and embed the capability to identify and effectively manage organisational risks.
	3. Improve the quality of HSE information available to decision makers at all levels.
<b>Outcome Objectives</b>	4. Reduce the frequency and severity of risks to people and the environment.
	5. Reduce the impact of occupational injury or illness.
<b>Enabling Objectives</b>	6. Train, support and motivate personnel to identify and manage workplace hazards effectively.
	7. Enable Mirvac personnel to better manage the HSE performance of Service Providers consistent with Mirvac policies and practices.

objectives. Foundation objectives are already well underway and have achieved significant progress to date in the standardisation of HSE policies, procedures, forms, guidelines and improved top level commitment to HSE. Outcome objectives continue to focus on reduced incidence and severity of injuries, while enabling objectives focus on the integration of HSE as a key job role and its reinforcement through learning and development.

The Strategic Plan provides a framework to promote consistency and clarity on how issues are managed across the Group and is an important transitional tool in helping to more clearly define roles and responsibilities for HSE underpinned by a blame-free learning culture endorsed by senior management. The Plan is available at: [www.mirvac.com/health-safety-environment](http://www.mirvac.com/health-safety-environment)

### MIRVAC LIVING QUALITY PROGRAM

To balance work commitments with a healthy lifestyle, Mirvac's Living Quality Program delivered a range of health and wellbeing-oriented programs across the country.

Keen employees walked, rode and ran from bridges to bays, from cities to beaches and through gruelling bushland, while others rowed, swam, jumped, stretched and boxed to achieve personal goals, raise funds for charity or just for fun. The Living Quality Program also provided seminars on health, nutrition, and personal fitness to support employees and promote healthy lifestyles.

Triathlons and fun runs were the most popular events throughout the year, while morning, lunchtime and evening exercise sessions in our Sydney office attracted an average 427 attendees each month. These initiatives have been placed on temporary hold due to the current financial conditions, and will be reviewed in the future.

Mirvac also supports employees experiencing personal or work related problems via a free, confidential Employee Assistance Program. The program is available 24 hours/7 days a week to employees and their immediate families across Mirvac's Australian and international operations and aims to address personal or family problems relating to work performance or health and safety.

### 35 - 45 FURZER STREET, WODEN, ACT

During the 2008 financial year, MREIT entered into an agreement with the Commonwealth Department of Health and Ageing (DOHA) to deliver a new A-grade office building in Woden, Canberra. At the completion of construction, DOHA will enter into a 15 year lease for the building, incorporating a Commonwealth Green Lease Schedule. This lease commits the owners and tenant to achieve a minimum 4.5 star NABERS energy rating throughout the term of the lease. Additionally, the base building has been registered for Green Star (Office Design V2). The building will comprise two 10 storey wings of approximately 45,000m<sup>2</sup>.



## SUSTAINABILITY@HOME

In July 2008, Mirvac launched the interactive Sustainability@Home website, providing Mirvac staff and their families with a hub of practical knowledge, tools and inspiration to embark on a journey to become more sustainable in their home lives. Visitors to the site are guided through a virtual Mirvac home, learning about simple initiatives, such as switching off appliances and changing light bulbs, to more complex matters including appropriately insulating one's home, and deciding between various solar panel options.

The website also links Mirvac staff with various supplier discounts, including energy and water efficient appliances, low volatile organic compound (VOC) carpets and paints, and much more.

The website is currently undergoing usability trials with a view to extend access to Mirvac's residential customers. The vision is that this website will become a home operator's guide, turning sustainable design into a sustainable reality.



## HUMAN RESOURCES

Human Resources (HR) statistics from Mirvac's Hotels & Resorts Division (H&R) and the remainder of the Group have been presented separately below, as these areas of our business exhibit substantially different characteristics and use different reporting systems.

Mirvac implemented a new Human Resources Information System (HRIS) during the year, which covers all Mirvac employees (excluding H&R). Although Mirvac is in the early stages of populating this system, reports on items such as turnover are now becoming available. As core users and line managers become aware of this functionality, Mirvac anticipates the greater capture of HR statistics by the business, including training figures.

### Mirvac - Workplace Profile<sup>1</sup> (31 July 2008)

Category	Full Time	Part Time	Casual	Male	Female	Total
Senior Executive	18	0	0	100%	0%	18
Executive	143	1	0	84%	16%	144
Manager	331	6	0	85%	15%	337
Staff/Other	1085	77	773	59%	41%	1935
<b>Total</b>	<b>1577</b>	<b>84</b>	<b>773</b>	<b>64%</b>	<b>36%</b>	<b>2434</b>

<sup>1</sup> excludes H&R Division



## Mirvac Hotels & Resorts - Employee Profile

Region	Full Time	Part Time	Casual	Male	Female	Total
NSW	525	136	437	48.4%	51.6%	1098
QLD	500	298	225	43.3%	56.7%	1023
VIC/ TAS	326	190	102	56.7%	43.3%	618
WA	104	19	62	44.4%	55.6%	185
NZ	57	53	8	55.1%	44.9%	118
Total	1512	696	834	48.4%	51.6%	3042

## Turnover

Our ability to report on turnover across Mirvac for this year is limited by the timing of the HRIS implementation and the use of decentralised HR and payroll systems across our H&R Division. The charts below show turnover statistics for all employees from 1 July 2008 (excluding H&R). Turnover figures were not tracked effectively under the previous system.

### Turnover<sup>1</sup> from 1 July - 30 September 2008

	% Redundancy Turnover	% Resignation Turnover	% Other Turnover	% Total Turnover
Corporate Services	1%	5%	0%	6%
Development	4%	5%	0.61%	9.61%
Funds Management	1%	6%	0%	7%
<b>Group</b>	<b>3%</b>	<b>5%</b>	<b>0.8%</b>	<b>8.8%</b>

<sup>1</sup> Includes staff paid weekly/monthly/casually. Excludes H&R staff

The turnover of employees within Mirvac H&R is typically higher than that of the corporate offices due to the higher proportion of casual, part-time and seasonal staff employed by hotels in response to the seasonal variation in hotel occupancy. Hotels, particularly in far north QLD and WA, employ large numbers of transient workers, such as backpackers and short-term visitors to the region.

At present, Mirvac H&R currently track turnover using a number of decentralised systems, which has presented difficulties in reporting collated figures. Mirvac is working to align the method of tracking turnover figures across the Group and aims to include turnover figures from all business units in future reports.

## Employee Exit Surveys

Use of employee exit surveys is limited across the Group, though they are conducted in Development Victoria and in Investment Management, predominately for voluntary turnover, as well as H&R. At the Group level, Mirvac has not formalised a requirement to conduct exit interviews and does not centrally track related statistics.

Mirvac's new HRIS has the capacity to capture relevant information from exit surveys for later analysis, and this option is currently being examined as a future initiative.

## Training

Mirvac engages in a variety of professional development initiatives across the Group, with a primary focus on Mirvac-funded placements in a Masters of Sustainable Development program through the Bond University Mirvac School of Sustainable Development, a Masters of Business Administration (MBA) program through the University of Technology, Sydney (UTS) and the Frontline Management Diploma. At present, 16 Mirvac employees are engaged in the Bond University Masters, 4 in the UTS MBA and approximately 70 in the Frontline Management Diploma.

In light of the challenging operating environment, these existing programs will remain unchanged, though new placements into these programs have been placed on hold temporarily, with a view to reviewing the learning and development programs once operating conditions improve.

A number of legacy programs exist, including various Undergraduate sponsorships, and other programs approved by line managers. Mirvac also offers paid leave for staff pursuing professional certifications, such as through the Master Builders Association.

After a very successful commencement, the Mirvac H&R National Traineeship Development Program has around 200 employees enrolled in various qualifications (equivalent to 7% of all H&R staff in Australia). This program targets all employees, particularly those without hospitality industry qualifications and aims to help these individuals achieve their nationally recognised Certificate III & IV in Hospitality Operations.



## **THE ROYAL NEWCASTLE, NSW**

Mirvac's transformation of the historic Royal Newcastle Hospital site promises to deliver an exclusive and vibrant beach-side precinct featuring cafes, restaurants and recreational facilities, alongside absolute beach front apartments overlooking Newcastle Beach.

The Royal exceeds NSW Building Sustainability Index compliance standards by incorporating an array of sustainability features including high efficiency air conditioning, systematic wall, ceiling and floor insulation, on-demand carpark ventilation and energy efficient lighting in common areas. The centrepiece of the proposed initiatives is a large-scale gas-fired cogeneration plant being developed as the largest residential application of the technology in Australia. The concept is being developed as part of the NSW Green Business Program and will deliver electricity and hot water at a reduced cost, while cutting CO<sub>2</sub> emissions by 400 tonnes per year. Sustainability initiatives were not forgotten in the construction phase either, with Mirvac recycling 96% of demolition waste from the site.



## **BOND UNIVERSITY MIRVAC SCHOOL OF SUSTAINABLE DEVELOPMENT, QLD**

Bond University's Mirvac School of Sustainable Development was recently awarded a 6 star Green Star rating (Education - Pilot) representing world leadership - the first building in Australia to achieve this accolade.

Mirvac Design collaborated with the University and consultant team to create a structure that holistically addresses the principles of sustainable design. A key element of this design is the landscaped three-level outdoor room forming the central arrival area that provides access to the teaching spaces and academic facilities within the School. This outdoor room also constitutes a central element in the natural ventilation and daylight controls for the building.

Mirvac is proud of its role in delivering this innovative building, and shaping the next generation of industry leaders in the implementation of responsible and practical management initiatives.



# STAKEHOLDERS

Focus	Objective
Customers	To provide Mirvac customers with an experience that delivers excellence, meets or exceeds expectations of sustainable performance and engenders loyalty.
Investors	To provide Mirvac investors with an experience that delivers excellence, meets or exceeds expectations of sustainable performance and engenders loyalty.
Community	To enhance the communities in which Mirvac operate through active engagement, innovative design and giving programs.

## MIRVAC AND TENANTS ENVIRONMENTAL SUSTAINABILITY (MATES) PROGRAM

In 2006 Mirvac launched the Mirvac and Tenants Environmental Sustainability (MATES) Program aimed at engaging with tenants to pursue improved environmental outcomes, particularly regarding energy efficiency. MATES focused on providing free specialist advice to tenants on practical methods to reduce energy use in their tenancies.

Unfortunately, MATES received a lower than expected uptake. As such, Mirvac is currently seeking to refocus MATES on tenant education, operational efficiencies, staff engagement and broader sustainability themes - all areas where simple action can yield meaningful results. More details will be reported as this relaunch gains momentum.

## MIRVAC FOUNDATION

Mirvac has established the Mirvac Foundation to connect with those most in need in the communities in which we operate. Housing and accommodation are topics that are the cornerstones of our business and the lifeblood of Mirvac's culture, and in the Foundation's inaugural year, the theme Mirvac has chosen to support is homelessness.

In addition to direct financial contributions, Mirvac matches the financial contributions of staff to the Foundation (up to \$200,000), provides development and construction advice, and materials and personnel to assist in building programs. Staff are also permitted to take one day per year at full pay to support these charities in other areas of their respective operations, where this is feasible.

In NSW, the Foundation supports Salvation Army initiatives focusing on assisting homeless youth get into the workforce. This includes a proposed upgrade to the 'Vera Loblay' facility in North Sydney which provides up to 12 months accommodation for those transitioning into the workforce - adding to their stability.

In QLD, the Foundation has an ongoing commitment to support the Red Cross Night Café. The Night Café provides a safe environment for homeless and at-risk young people in Brisbane. Opened in 2001, the Night Café offers free hot

food, showers, toilets and access to health and legal services.

In VIC, the Foundation supports Hanover Welfare Services. Hanover provides a wide range of services to people experiencing homelessness or housing crisis. The Foundation is assisting Hanover to renovate the social gathering area at the local Crisis Centre for homeless families in South Melbourne.

In WA, the Foundation supports UnitingCare West, a community services organisation providing remedial and preventative services to assist the homeless. Mirvac is funding three projects including the renovation of a group home in Highgate and workshops to assist clients in obtaining housing and avoiding eviction.

To effectively monitor, measure, and benchmark the Mirvac Foundation's charitable gifts and donations, direct community investment and commercial initiatives in the community, Mirvac has adopted the London Benchmarking Group framework. This will assist in directing activities and resources where they are most effective and will provide meaningful information on Mirvac's involvement in the community. The Foundation operates as a completely transparent organisation and will prepare statements of all financial transactions which may be reviewed at any time by Mirvac's auditors, PricewaterhouseCoopers, at the discretion of the Foundation board.

## OTHER COMMUNITY ACTIVITIES

As well as a nationwide focus on homelessness through the Foundation, Mirvac divisions are encouraged to participate and contribute to their local communities. In total, Mirvac sponsors or supports over 120 charitable organisations and community events.

### Kawana Shopping World - World Environment Day

To coincide with World Environment Day, Kawana Shopping World, in partnership with Visy Recycling, Mobile Muster and 91.9 Sea FM invited customers to visit a recycling station within the Shopping Centre. Customers dropping off items for recycling also had a chance to

win one of five \$200 gift vouchers. Approximately two tonnes of material were collected for recycling including cardboard, paper, aluminium cans, mobile phones, printer cartridges, glass bottles and jars, plastic bottles and plastic shopping bags.



### Garvan Institute Australian BioResources Research Facility

Mirvac was involved in the development of the new Garvan Institute Australian BioResources research facility, in Mossvale, NSW, by assisting to select an appropriate site, and providing development and property expertise. Mirvac Design undertook detailed master planning for the 17 hectare site and provided architectural expertise for this highly specialised facility. The building has been designed to maximise energy efficiency, while the choice of equipment and systems have all been geared to minimise environmental impact. The facility includes solar hot water systems, collects all roof water for toilet flushing and steam production, uses efficient LED lighting and recycles all waste.



### Mandurah Channel 7 Crab Fest

Mirvac was the official sustainability partner for the Mandurah Channel 7 Crab Fest, the biggest regional event in WA. Mirvac donated \$15,000 to fund the planting of approximately 6,000 trees on wheatbelt farming land to combat salinity and erosion, and offset approximately 1000 tonnes of GHG emissions generated by the festival.



### Rhodes Shopping Centre Donates \$100,000 to Local Schools

This year Rhodes Shopping Centre donated over \$100,000 to local schools through its School Dollars program. The program asked friends and families of 16 local primary schools and preschools to place shopping receipts in each school's barrel, with points allocated for every dollar spent in the shopping centre. These points translate into cash grants for the school, offering a simple and guaranteed way for schools to attract additional funding.

Concord West Public School received \$5,000 that will be put towards installing new bike racks and marking the playground for netball, handball and other games. Concord West Rhodes Preschool received \$4,000 and plans to use the funds on safety equipment and softfall ground cover.



**Stonnington Primary School After-School Care Facility**

Mirvac partnered with GE Money and the Ardoch Youth Foundation to provide a new after-school care facility and kitchen at Stonnington Primary School, VIC. The School also launched a healthy eating program, teaching students about the importance of nutrition, and providing them with basic cooking skills which can be practiced at home. Mirvac has worked with Ardoch Youth Foundation since 2007, raising thousands of dollars to assist in expanding the charity's important work within local schools.



**101 MILLER STREET,  
NORTH SYDNEY, NSW**

Mirvac recently undertook an ambitious \$40 million refurbishment of 101 Miller Street, with a firm focus on sustainability. The building is targeting a 5 Star NABERS Energy rating and was awarded a 5 Star Green Star rating (Office Design V2), representing Australian Excellence. A key goal of the refurbishment was to provide services that would enable tenants to have the capability of achieving a 5 Star NABERS Tenancy rating.

At the centre of the upgrade is a 2.4MW gas-fired trigeneration system, a first for a refurbished premium grade commercial office building - capable of providing for the majority of both the base building and tenants' power needs. This system generates electricity using natural gas (a lower GHG emission fuel source) while harnessing waste heat to provide heating and cooling for the building, significantly improving overall energy efficiency and reducing GHG emissions.

101 Miller Street is now 95% leased to quality tenants, only a few months after project completion and demonstrates Mirvac's commitment to introducing practical measures to reduce GHG, and improve energy efficiency and reliability.

# SUPPLY CHAIN

---

## Objective

---

To include companies in Mirvac's supply chain who have a commitment to sustainability in line with our own.

---

### SUPPLY CHAIN PROGRESS

Supply chain remains a core sustainability focus, due to the enormous potential to generate economic, environmental and social benefits for Mirvac, our suppliers and society at large.

However, progressing supply chain commitments has been a lower priority while we focus on embedding our own sustainability performance standards. Preliminary work towards a Supply Chain Sustainability Policy has begun, though it has not yet reached draft stage. Coordinating efforts across Mirvac's diverse business units, and geographically-dispersed procurement teams has proven challenging.

Mirvac has made sound progress towards establishing minimum product standards, particularly across our Development Division, managed assets and corporate offices. Starting with products with high environmental impact or risk. Mirvac has signed a number of agreements to purchase a minimum 50% recycled A4 and 100% recycled A3 copy paper for all corporate offices, 100% recycled, process chlorine free and Forest Stewardship Council (FSC) certified paper for Mirvac letterheads, and Good Environmental Choice-certified sanitary paper for managed assets. A number of minimum product standards have been formalised through the MirvacPlus Residential Sustainability Scorecard. Over time, these commitments will be extended to other business areas.

---

### ALTITUDE TOWER, BURSWOOD, WA

---

Altitude, the sixth tower at Mirvac's Peninsula development in Burswood, WA consists of 93 apartments, including two penthouses, and is carefully positioned around attractive parks, gardens and lakes, and access to the on-site pool, barbeque area, gym, and gourmet delicatessen.

In addition to the unique storm water management system, Altitude includes native landscaping and a combination of subsoil reticulation and drip-feed irrigation which complement the design of previous towers. The project is designed to achieve a minimum average 5 star NatHERS rating, exceeding the Building Code requirement by 25%. Common areas will feature energy efficient lighting and motion sensors used where appropriate to further reduce energy use. The façade design has been optimised to balance energy efficiency with daylight penetration, natural ventilation and privacy.

Mirvac has also carefully selected materials for the project, including 95% recycled content steel, FSC-certified wood, and low VOC and low formaldehyde materials for interior finishes. Mirvac also expects to recycle 79% of construction waste from Altitude, maintaining Mirvac's high recycling rate from the previous towers.



# ENVIRONMENTAL IMPACT

Focus	Objective
Management	To ensure appropriate systems to minimise environmental impacts of all Mirvac activities.
Energy	To optimise the productivity of all energy employed in Mirvac activities.
Water	To reduce the consumption of water and impacts on water quality of all Mirvac activities.
Waste	To reduce waste produced and maximise recycling and resource recovery from all Mirvac activities.
Ecosystems	To minimise the impact of all Mirvac activities on local ecosystems.
Transport	To minimise environmentally detrimental transport dependency of Mirvac operations and products.
Materials	To minimise the environmental impact of materials used by Mirvac.
Indoor Environmental Quality	To provide for healthy indoor air quality.

## MIRVACPLUS RESIDENTIAL SUSTAINABILITY SCORECARD

The MirvacPlus Residential Sustainability Scorecard, approved for trial implementation in September 2008, provides sustainability design guidance and performance tracking, and delivers a consistent standard of environmental and social outcomes across all projects. Simultaneously, the Scorecard provides the structure for project teams to raise the bar and achieve greater levels of performance where appropriate. Going forward, all new Mirvac residential developments move beyond compliance.

The Scorecard focuses on ecology and construction management, transport, social, community and education, energy, water, indoor environment quality, materials, waste and innovation, and is the key mechanism to achieve a large number of sustainability commitments detailed in the progress review table of this report. The Scorecard will also assist Mirvac in comparing projects across type, location and stage, while providing transparent, verified and consistent sustainability information to the market.

Through the Scorecard, Mirvac has formalised a number of minimum standards, including:

- › No development on wetlands or high environmental value land
- › Tree retention program on all sites that contain significant trees
- › All solid timber to come from sustainably harvested sources
- › A home operators' guide, detailing ways to turn sustainability design, into sustainable living
- › The use of low VOC paints and carpets
- › Water efficient taps and appliances

- › A minimum of one community facility, such as a gym or childcare centre per development
- › Energy efficient lighting, hot water systems, cooktops and appliances

## SUSTAINABILITY@WORK

Mirvac's Sustainability@Work program has now been active for over a year, with teams of Sustainability Champions in each of our five main offices.

The Sustainability@Work Champions around the country have been preparing education materials, tracking computers left on overnight, working to establish recycling schemes and promoting initiatives such as Walk to Work day.

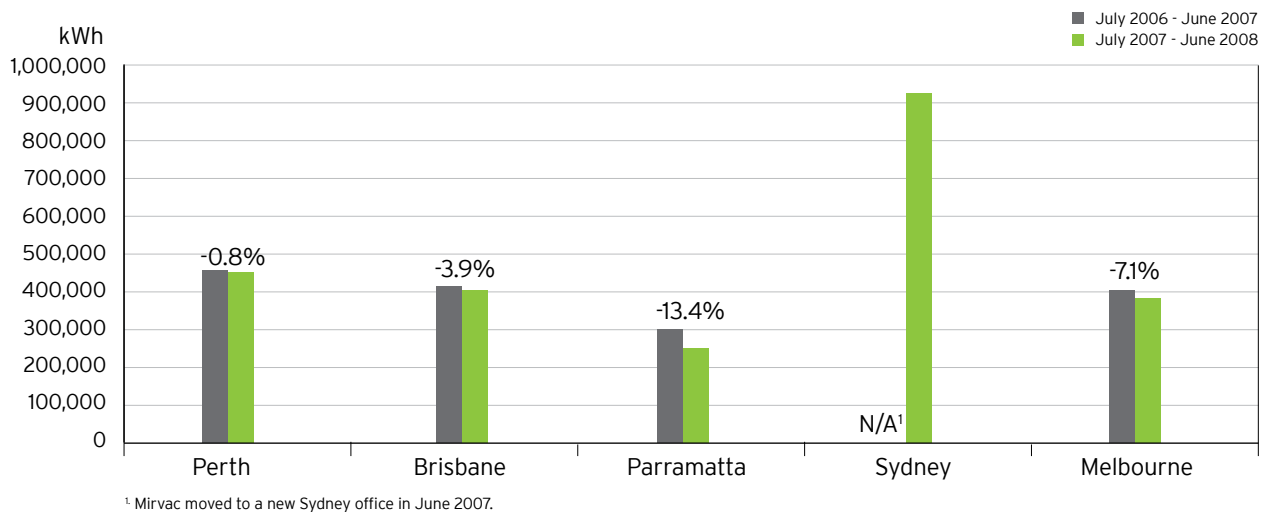
Across all offices, an average 6.3% of electricity and 7% of paper was saved, with Mirvac's Parramatta office achieving the biggest cuts - 13.4% in electricity and 18% in paper.

## PORTFOLIO ENERGY TARGETS

Mirvac's flagship action to reduce GHG emissions from property assets is a commitment to achieve an average 3 star NABERS Energy rating on all commercial buildings in the sustainability performance management and reporting program across the Mirvac Property Trust (MPT), and Mirvac Real Estate Investment Trust (MREIT). A 3 star rating represents current market best practice. Earlier this year, Mirvac calculated the performance of all covered properties, resulting in an (unofficial) average rating of 2.8 stars for MPT and 2.1 stars for MREIT.

To focus attention where the greatest gains can be achieved, properties that meet the following criteria have been excluded from the sustainability performance management and reporting program:





### Mirvac Head Office Electricity Use

- › The property is undergoing major refurbishment during FY08/FY09
- › The property is or will be less than 75% occupied between now and end FY09
- › The property is intended to be disposed of or demolished between now and end FY09
- › The ownership or leasing structure of the property is such that Mirvac does not have operational control of the base building energy use, or does not have access to the required data

With these exclusions, the project will cover 24 properties totalling almost 300,000m<sup>2</sup> of Net Lettable Area (NLA) of commercial office space.

Stage one of this program – the rollout of improved reporting and monitoring tools – is almost complete, with over 90% of MPT and 80% of MREIT main electricity meters now monitored electronically. Mirvac is aiming to achieve 100% coverage by June 2009. The utilities meters allow detailed profiling of current energy use, which coupled with ongoing external monitoring will allow Mirvac to identify operational efficiencies, such as optimising heating and cooling systems.

Stage two, which includes detailed energy audits has commenced at 17 MPT/MREIT properties at a cost of approx \$250,000. This includes the audit of two non-commercial assets, which are not included in the 3 star average. Completion of these audits is scheduled for this financial year, with analysis of outcomes, and potential upgrades and changes to follow thereafter.

### GLASS RECYCLING AT MIRVAC HOTELS

Earlier this year, Mirvac participated in a trial of the BottleCycler glass crushing system at five Sydney hotels. The trial saw bottle crushing equipment installed in hotel bar and function areas, to improve recycling efforts, reduce waste to landfill and limit manual handling. In the nine months since installation, these crushers have proven highly successful, recovering approximately 40 tonnes of glass. Mirvac is currently seeking to expand the service to additional locations where feasible.

### WATER SAVING INITIATIVES – SEBEL AND CITIGATE, KING GEORGE SQUARE, BRISBANE, QLD

In response to the continuing water restrictions and new regulation from the Brisbane City Council, Mirvac recently undertook work to reduce the water consumption of The Sebel and The Citigate King George Square Hotels.

These changes included replacing the cooling tower dosing equipment, saving over 30% of cooling tower water use, and ensuring compliance with forthcoming Queensland legislation on Legionella controls, as well as replacing taps and shower heads with high efficiency fittings. Mirvac also undertook an education program with guests on water saving strategies, such as opt-in laundry service using in-room notifications, and with staff via regular meetings, and reminders on the correct use of dishwashers and washing machines.

Overall water savings have been significant, with usage down by approximately 8.5 million litres compared to last year.

# CLIMATE CHANGE ACTION

## Objective

To position Mirvac for optimum performance in a changing climate and carbon constrained economy.

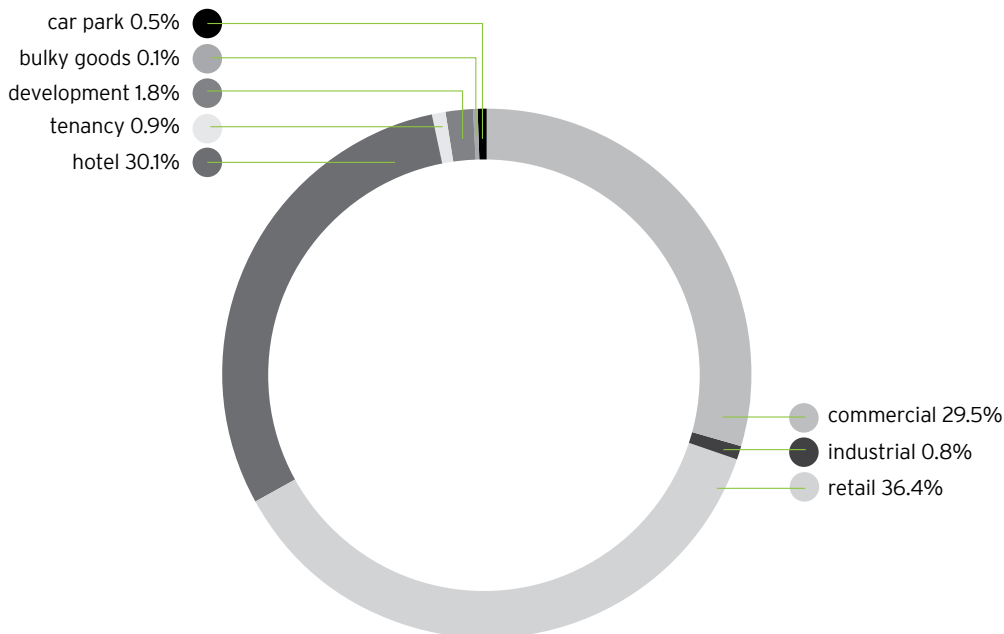
### MIRVAC ENERGY USE & GHG EMISSIONS

Mirvac continues to improve the quality of energy data reporting across the Group. Presented below is a summary of Mirvac's energy use and related GHG emissions from across the Group, broken down by business unit and asset type, which form the basis of Mirvac's compliance reporting under the *Energy Efficiency Opportunities Act 2006* (EEO).

These tables exclude a number of material emissions sources, including business travel, refrigerants and waste, which are not reportable under EEO. These will be reported alongside all other emissions sources in Mirvac's full sustainability report and via the Carbon Disclosure Project response.

Business Unit	Total Energy		Tonnes CO <sub>2</sub> -e
	Petajoules	% of total	
Mirvac ARF Pty Ltd	0.0010	0.09	69
Mirvac Domaine Property Fund Ltd	0.0122	1.02	3,523
Mirvac Funds Ltd	0.5018	41.83	131,623
Mirvac Funds Management Ltd	0.1908	15.91	48,555
Mirvac Property Funds Australia Ltd	0.0935	7.79	23,844
Mirvac REIT Management Ltd	0.2156	17.97	56,928
Mirvac Hotels P/L	0.1494	12.46	35,644
Mirvac Parking Pty Ltd	0.0004	0.03	115
Mirvac Development*	0.0261	2.18	5,590
Corporate Offices	0.0087	0.73	2,626
<b>Total</b>	<b>1.1995</b>		<b>308,516</b>

\*This includes Mirvac Projects P/L, Mirvac Queensland P/L, Mirvac Victoria P/L, and Mirvac (WA) P/L. These business units operate as separate legal entities in each State, though have been combined here for simplicity



Mirvac GHG Emissions – by Asset Type

## CARBON DISCLOSURE PROJECT

Mirvac participated in the Carbon Disclosure Project for the third time this year, significantly expanding report coverage to 166 assets, up from 63 last year, and including a number of previously unrecorded emissions sources. Additionally, Mirvac provided discrete asset-level analysis of the current and targeted performance of commercial office assets across MPT and MREIT, and strategies to

achieve these targets. As our strategic focus sharpens, and data systems continue to improve, Mirvac aims to provide similar detail for its remaining business units.

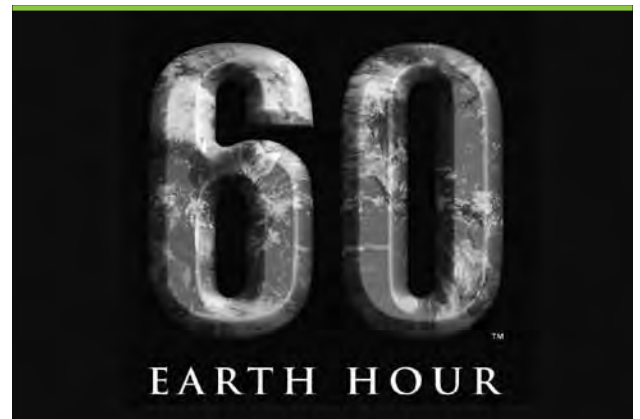
Mirvac was again recognised through the Goldman Sachs JBWere Climate Disclosure Leadership Index, our third consecutive listing, acknowledging demonstrated leadership in disclosure across a range of investment-relevant climate change issues.



### ORION SPRINGFIELD SPRINGFIELD, QLD

During the year, Orion Springfield, Mirvac's 35,000m<sup>2</sup> shopping centre in Springfield, south-east QLD was awarded a 6 star Green Star rating (Shopping Centre Design - Pilot) representing world leadership in sustainable design.

Orion, which was opened in March 2007 combines the best of a traditional town square - with its main street, town square, plazas and parks and integrates this with a carefully planned retail environment unlike any other in Australia. Some of the key sustainability initiatives include 62% of total water used on site coming from recycled or reused sources, 95% reduction in artificial lighting, an energy management system which reduces GHG emissions by 5,000 tonnes, and secure bike storage with showers and lockers for staff, to reduce vehicle dependency.



### EARTH HOUR

On Saturday 29 March, Mirvac joined 58% of Australian adults, along with 370 cities around the world in Earth Hour, the largest voluntary power down in history.

This year, Mirvac targeted lights out and shutdown of non-essential equipment in over 900 000m<sup>2</sup> of commercial and retail space, 20 industrial buildings, over 35 hotels, more than 30 construction sites, and over 50 sales suites across Australia and New Zealand. We also worked to engage and educate our tenants, guests and visitors to encourage their participation.

The result was outstanding - a 10.9% reduction in total electricity use, amounting to over 1.5 MWh saved during a single hour, with true savings likely to be even higher when including locations without metering equipment, such as construction and sales sites. The results clearly demonstrate that where a concerted effort is made to identify and eliminate electricity usage, significant savings can be realised.

## Earth Hour Highlights



### RHODES SHOPPING CENTRE

Rhodes Shopping Centre, IKEA and the City of Canada Bay Council represented by Mayor Angelo Tsirekas, spread the Earth Hour message this year, distributing 5,000 'Earth Hour Packs' to the local community in the three days leading up to Earth Hour.

Each pack included an official Earth Hour postcard reminding recipients of the event and providing suggestions of how to get involved on an individual or household level. The packs also included a candle and glass candle holder, kindly donated by IKEA, to use during Earth Hour.

Members of the community were encouraged to return their brown paper bag and Earth Hour postcard after Earth Hour for recycling, in exchange for a reusable shopping bag.



### THE SEBEL PIER ONE, SYDNEY

With non-essential lighting switched off throughout the hotel, guests at the Sebel Pier One Sydney dined by candlelight on a specially designed Earth Hour menu featuring only cold food, accompanied by live acoustic music and views of the darkened Harbour Bridge.



### QUAY GRAND SUITES, SYDNEY

At the Quay Grand Suites Sydney, guests and residents were invited to switch off their room lights, and enjoy Earth Hour in the Quadrant Restaurant, which served a unique Earth Hour menu, or in ECQ Bar over cocktails by candlelight.

Both restaurant and bar offered stunning views of the darkened city, Harbour Bridge and other Sydney icons.



# BENCHMARKS AND AWARDS

## BENCHMARKS

Mirvac was again recognised through the Goldman Sachs JBWere Climate Disclosure Leadership Index, our third consecutive listing, acknowledging demonstrated leadership in disclosure across a range of investment-relevant climate change issues.

Four properties received Green Star ratings:

- › Orion Springfield shopping centre in south-east QLD was awarded a world leading 6 star Green Star rating (Shopping Centre Design - Pilot)
- › 5 Rider Boulevard, Rhodes Waterside, NSW achieved a 4 star Green Star rating (Office Design V2)
- › 101 Miller Street, North Sydney, NSW achieved a 5 star Green Star rating (Office Design V2)
- › The Mirvac designed Bond University's Mirvac School of Sustainable Development gained a 6 star Green Star rating (Education - Pilot)

Mirvac has maintained its listing on the United Kingdom's FTSE4Good Global Index, and a listing in the AuSSI recognises Mirvac as one of the top sustainability-driven companies within the Australian economy.

## AWARDS






Mirvac received a number of prestigious awards this year, recognising outstanding achievement in the field of sustainability. A particular highlight was the NSW Department of Environment and Climate Change - Green Globe (Water) Award, which was awarded to Ashgrove Estate in Auburn. The innovative water management technology and design implemented on this project reduces potable water consumption by 10 million litres per year - or around 45% of daily use.

Mirvac's Cambridge Apartments, in Chatswood, NSW won the large commercial category of the Environ BPN Sustainability Awards, and Beachside Leighton, a premium residential development in WA was awarded the HIA GreenSmart Design Concept Award.






















# PROGRESS REVIEW

## PROGRESS






-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

## TARGET STATUS

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009























Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
Priority Area	1. Business Conduct					
1.1 Management of Sustainability	Group	1.1.1	Issue a revised Group Sustainability Policy to further reflect Mirvac's core values and approach to sustainability.		Draft complete. To be presented to Executive Committee for approval.	Adopted
		1.1.2	Formalise the consideration of sustainability issues within the organisation at State, Group, Executive Committee and Board level.		Achieved at Group level, within State Development, and Retail. Further work is required in other business units.	Report 2009
		1.1.3	Implement, in conjunction with all business areas, a group wide data management system for sustainability reporting.		SoFi Software system purchased. Roll-out focusing first on Development Division.	Report 2009
		1.1.4	Expand Mirvac's public reporting of sustainability issues and performance including the corporate website and release of a public sustainability report in accordance with Global Reporting Initiative 3 (GRI G3) Guidelines.		Disclosures include this report, website content and other reports. GRI G3 compliant report to be issued post 2009 financial year end.	Adopted
	Development	1.1.5	Finalise the Residential Sustainability Scorecard as the standard procedure for management and assessment by Development Managers of sustainability performance for all stages of residential development.		See page 16.	Adopted
		1.1.6 (a)	Commence development of Sustainability Scorecard for retail development if no accredited alternative available.		Mirvac Retail Sustainability Scorecard is complete. Mirvac was a pilot partner for the GBCA Green Star Retail Pilot Tool, achieving 6 stars for Orion Shopping Centre in Springfield, QLD.	Adopted
		1.1.6 (b)	Commence development of the Sustainability Scorecard for industrial development if no accredited alternative available.		Green Star - Industrial (Pilot) launched. Mirvac tool not progressed.	Complete
		1.1.6 (c)	H&R development specifications to be updated to include consideration of sustainability issues (in lieu of separate Sustainability Scorecard).		Draft in development.	Report 2009
	Investment	1.1.7	Investigate committing to the United Nations Principles of Responsible Investment.		Investigation finalised including a gap analysis against existing processes and practices, and benchmarking against industry peers. A decision will be taken in 2009.	Complete
		1.1.8	Review the Investment Committee objectives of all funds for which Mirvac Funds Management has a controlling interest for sustainability considerations.		Review complete. Amendments in process.	Complete
1.2 Corporate Governance	Group	1.2.1	Report consistency of governance practices against all relevant legislation and guidelines.		See page 4.	Adopted
		1.2.2	Track and report on the total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.		Total contributions of \$75,105 were made at the Local, State and Federal level. This includes \$27,000 to the Liberal Party of Australia and \$48,105 to the Australian Labour Party.	Adopted
		1.2.3	Track and report on monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		See page 7.	Adopted
		1.2.4	Track and report on compliance with the Mirvac Code of Conduct.		Mirvac Group has adopted a Code of Conduct/Ethical Business Behaviour Policy which applies to Mirvac Group's Board of Directors, Executives and all other employees. The Code espouses Mirvac's core values and reflects the Recommendations (see 1.2.1) in terms of the matters addressed. Each member of the Executive Committee certifies to the Audit Risk and Compliance Committee their adherence to the requirements of the Code on a quarterly basis.	Adopted
		1.2.5	Track and report on the Mirvac Open Line Policy.		Mirvac has established the Mirvac Open Line Program to enable its Non-Executive Directors, Executives and other employees to report promptly in good faith any serious violations or suspected serious violations of the law or its Code of Conduct/Ethical Business Behaviour policy. Mirvac's internal auditor has been retained to provide this confidential service.	Adopted
		1.2.6	Extend or develop a policy to address all anti-competitive behaviour, anti-trust, and monopoly practices.		Addressed in Mirvac's Trade Practices Compliance Manual.	Adopted
1.3 Industry Advancement	Group	1.3.1	Continue to participate in relevant Australian initiatives and programs that contribute to a more sustainable Real Estate Investment Trust sector.		See page 5.	Adopted
		1.3.2	Investigate suitable opportunities to participate in international corporate sustainability initiatives.		See page 5.	Report 2009
		1.3.3	Continue to participate in the development of the industry rating tools.		See page 5.	Adopted

**PROGRESS**






-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009

Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area</b>		<b>2. Mirvac People</b>				
2.1 Health Safety Environment	Group	2.1	Report HSE progress and performance information.		See page 6.	Adopted
2.2 Corporate Culture	Group	2.2.1 (a)	Communicate, on a regular basis, the sustainability objectives, activities and performance of the company to employees.		Sustainability is integrated into major company communications where applicable, including the Annual Report, Managing Director's emails, Mirvac Mail, Mirvac website and intranet.	Adopted
		2.2.1 (b)	All H&R employees to undertake mandatory Licence to Operate training from July 2008 to improve understanding of sustainability issues including environmental hazards and controls and to raise overall sustainability awareness.		Environmental awareness module is under development. Completion of this module by all staff is expected by June 2009.	Report 2009
		2.2.1 (c)	Refine H&R sustainability commitments into a suitable format and distribute to all H&R managers as guidance for Group approach.		Action plan formalised and communicated to H&R staff.	Complete
		2.2.2	Develop the capacity of Mirvac People, through the Mirvac Living Quality Program, to lead a more active, healthy and positive way of life.		See page 8.	Report 2009
		2.2.3	Track and report on the percentage of employees participating in the Mirvac Living Quality Program.		See page 8.	Adopted
		2.2.4	Develop the capacity of Mirvac People, through the Mirvac Sustainability@Home Program, to lead a more sustainable way of life.		See page 9.	Adopted
		2.2.5	Undertake an annual employee satisfaction survey to determine areas for improvements and report outcomes and actions to employees.		Mirvac did not conduct an employee satisfaction survey this year, target carried forward.	Report 2009
		2.2.6	Track and report on employee turnover.		See page 10.	Adopted
		2.2.7	Establish a process of employee entry and exit surveys.		See page 10.	Report 2009
		2.2.8	Conduct a sustainability training needs review across the organisation.		Target carried forward.	Report 2009
		2.2.9	Track and report on average hours of training per year per employee by employee category.		See page 10.	Report 2009
2.2.10	Track and report on employee share ownership.		Each year, Mirvac offers eligible employees \$1000 worth of Mirvac securities at no cost. Of the 2,700 qualifying employees who were offered securities under the 2008 Employee Exemption Plan, 70% accepted. Additional information on securities programs is available in the Director's Report within the 2008 Annual Report.	Complete		
2.2.11	Extend commitment to explicitly refer to non-discrimination involving all areas beyond gender and race, including disability, religion, ethnic origin, age and sexual orientation.		To be actioned as part of the Human Resources policy review in 2009.	Report 2009		
<b>Priority Area</b>		<b>3. Stakeholders</b>				
3.1 Customers	Development	3.1.1	Include information on sustainable living, including appliance selection, purchase of green power and public transport options in all New Home Owners Manuals.		Home Owners Manuals are periodically updated to include relevant sustainability information. A national template to be used by all projects is currently in draft.	Report 2009
		3.1.2	Develop a builder sustainability information sheet including issues of waste management and recycling, safe work practices and materials selection.		Currently in draft.	Report 2009
		3.1.3	Undertake a 12 month follow-up survey of customers on the performance of and their satisfaction with the sustainability features of their new homes.		Mirvac Victoria is developing a survey to collect this information, though has not begun implementation. Target carried forward in all States.	Report 2009
	Investment	3.1.4	Target a minimum of 10 large tenants directly to participate in the Mirvac and Tenants Environmental Sustainability (MATES) Program.		See page 12.	Report 2009
		3.1.5	Develop a sustainability focused retail tenant engagement and education program.		A Retail Tenancy Fitout Sustainability Checklist has been drafted covering energy, water, emissions, waste and sustainable design. Adoption to be formalised.	Report 2009
		3.1.6	Develop and distribute sustainability focused industrial tenant education materials.		Target carried forward.	Report 2009
		3.1.7	Develop standard sustainability focused H&R guest education program.		Mirvac has developed a range of in-room education materials targeting our H&R guests, focusing on water conservation, re-use of linen and towels, and waste and recycling, along with information on Mirvac's broader sustainability activities and targets. Additional materials still to be developed.	Report 2009
		3.1.8	Include sustainability guidance within H&R Developer's Guide.		Draft in development.	Report 2009

**PROGRESS**





-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009

















Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area 3. Stakeholders</b>						
3.2 Investors	Group	3.2.1	Track and report on investor issues including the Corporate Confidence Index.		Information is tracked through investor relations, though is not publicly reported.	Adopted
		3.2.2	Review all investor communications materials for inclusion of sustainability performance information.		Target carried forward.	Report 2009
3.3 Community	Group	3.3.1	Track and report on charitable contributions through the Mirvac Foundation.		See page 12.	Report 2009
		3.3.2	Encourage employee volunteering by allowing each employee to devote a day a year of company time on a community project or companywide community initiative.		See page 12.	Adopted
		3.3.3	Formalise and report on partnerships with academic and research institutions.		Target carried forward.	Report 2009
	Development	3.3.4	A stakeholder and community consultation plan prepared and implemented for 100% of residential and retail developments.		Achieved in QLD and VIC. In WA consultations occur on all large projects, though not yet on small projects. Not formalised in development processes in NSW.	Report 2009
		3.3.5	Respond to community based contacts in accordance with Health, Safety, Environment Management System.		Achieved.	Adopted
	Investment	3.3.6	Retail centres to implement at least one major community initiative a year.		See page 12.	Adopted
		3.3.7	Develop an H&R preferred arrangement to support fund raising activities of community based organisations through donation of accommodation, room hire or meals.		Mirvac H&R have established a partnership with the Mirabel Foundation, supporting children who have been orphaned or abandoned due to parental illicit drug use. No further action towards formalising community support program.	Report 2009
<b>Priority Area 4. Supply Chain</b>						
4.1 Supply Chain	Group	4.1.1	Communicate our sustainability objectives, targets and activities to suppliers.		See page 15.	Report 2009
		4.1.2	Develop a purchasing policy giving consideration to environmental and social performance and opportunities to 'buy local'.		Content for this policy has begun taking shape, though is not yet in draft.	Report 2009
		4.1.3	Establish a program to benchmarking performance of suppliers.		Delayed pending action against 4.1.1, 4.1.2.	Report 2009
		4.1.4	Set minimum sustainability performance standards for suppliers, starting with 'high risk' products and industries and list any 'high risk' products on the Problem Materials Database.		See page 15.	Report 2009
		4.1.5	Continue to establish innovative preferred supplier partnerships with suppliers of materials, products and services.		See page 15.	Report 2009
	Investment	4.1.6	Investigate feasibility of switch to ELTRA or similar phosphate free laundry powder in on-site laundry operations.		Target carried forward.	Report 2009
		4.1.7	Consider environmental performance in the selection of H&R guest amenities.		Target carried forward.	Report 2009
<b>Priority Area 5. Environmental Impact</b>						
5.1 Management	Office	5.1.1	Implement a Sustainability @ Work program focussed on energy, water, waste & recycling, paper use and travel.		See page 16.	Adopted
		5.1.2	Establish baseline levels for energy, water, waste & recycling, paper use and travel for each office.		Paper, energy and business travel monitoring in place. Commuter travel surveys undertaken at 4 of 5 head offices. Water and waste monitoring not yet established. See also 5.4.1, 5.6.1.	Report 2009
		5.1.3	4 Star Green Star minimum for all new head office tenancy fit-outs.		Mirvac recently submitted an application under the Green Star (Office Interiors) for its new Sydney Head Office tenancy, and is awaiting the result. Mirvac's new Perth office, due for completion in 2009 is being designed to achieve best practice green building standards.	Report 2009
	Development	5.1.4	Develop and comply with a 'Workplace Risk Management Plan' for every development.		All workplaces are required to prepare a WRMP. Compliance is monitored regularly by dedicated HSE representatives in each location.	Adopted
		5.1.5	For civil works conducted by external service providers (ESP), develop a clause to be included in all civil works contracts appointing the ESP as the Principal Contractor and requiring compliance with all Environment Protection Legislation (as amended) relevant to the State or Territory of operation.		Not yet formalised as a standard procedure.	Report 2009

**PROGRESS**






-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009























Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status	
<b>Priority Area</b>	<b>5. Environmental Impact</b>						
5.1 Management	Investment	5.1.6	All newly built commercial office property within Mirvac Property Trust and Mirvac Real Estate Investment Trust to be a minimum 5 Star Green Star.		One new commercial office property was built during the reporting period. This project is registered for Green Star. See page 8.	Adopted	
		5.1.7	Define and disclose boundaries for inclusion or exclusion of Mirvac Asset Management managed properties from the sustainability performance management and reporting program.		See page 16.	Complete	
		5.1.8	Undertake audits for at least 25% of retail centres to identify opportunities for improved environmental performance.		Target carried forward.	Report 2009	
		5.1.9	Smart electricity, natural gas and water metering system to be installed in all existing Mirvac owned H&R.		Currently being implemented. Where not captured in refurbishment plans, capital to upgrade metering system has been approved.	Report 2009	
		5.1.10	Undertake desktop audits for at least 25% of H&R to identify opportunities for improved environmental performance.		Preliminary review commenced for assets owned by a Mirvac-managed fund.	Report 2009	
5.2 Energy	Office	5.2.1	Average 4 Star NABERS Energy tenancy in all head office locations.		Preliminary calculations indicate Sydney head office is achieving a 4.5* NABERS Energy rating (official rating pending). Calculations underway for Brisbane, Parramatta and Melbourne office. Mirvac's new Perth office, due for completion in 2009 is being designed to meet this target.	Report 2009	
		5.2.2	Investigate green power options for all head office locations.		Investigation complete for all head offices. Under current market conditions, and given the uncertainty surrounding future energy prices, Mirvac has postponed plans to purchase renewable electricity, while maintaining its focus on demand side abatement initiatives. Mirvac will review this decision periodically.	Complete	
	Development (Residential)	5.2.3	Minimum 5 Star Energy Rating compliant or equivalent for all newly initiated projects.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted	
		5.2.4	Principles of solar passive design to be considered in 100% of residential designs for all newly initiated projects.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted	
		5.2.5	Solar access to be maximised through lot orientation for all newly initiated projects.		Optional under MirvacPlus Residential Sustainability Scorecard.	Adopted	
		5.2.6	No electric storage hot water systems to be installed where viable alternative energy source is available.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted	
		5.2.7	Determine feasibility of installing gas boosted solar hot water systems or heat pumps in 30% of new homes.		Target carried forward.	Report 2009	
		5.2.8	Determine feasibility of a minimum of 50% of lighting in dwellings and common areas to utilise energy efficient lighting.		Investigations ongoing. Initial findings indicate functionality of energy efficient lighting may be a barrier.	Report 2009	
	Development (Non-Residential)	5.2.9	Commercially available energy efficient appliances, within one star of maximum available, to be incorporated in the dwelling.		Mandatory under MirvacPlus Residential Scorecard.	Adopted	
		5.2.10 (a)	Options for improved energy efficiency to be considered and reported for each retail development.		Addressed under Mirvac Retail Sustainability Scorecard.	Adopted	
		5.2.10 (b)	Options for improved energy efficiency to be considered and reported for each Industrial development.		Target carried forward.	Report 2009	
	Investment		5.2.10 (c)	A requirement for improved energy efficiency opportunities to be considered and reported for all Mirvac owned new builds H&R to be included in development specifications.		Draft in development.	Report 2009
			5.2.11 (a)	Establish the baseline energy use of all commercial property assets in funds under management of Mirvac Funds Management.		Mirvac is required to report Group-wide energy use under various legislative schemes.	Adopted
			5.2.11 (b)	Establish the baseline energy use of all retail property assets in funds under management of Mirvac Funds Management.		Mirvac is required to report Group-wide energy use under various legislative schemes.	Adopted
			5.2.11 (c)	Establish the baseline energy use of all H&R.		Achieved for assets held in Mirvac funds. Ongoing for international properties and strata assets.	Report 2009
5.2.11 (d)			Establish the baseline energy use of all industrial property assets in funds under management of Mirvac Funds Management.		Mirvac's US assets not yet accounted for.	Report 2009	
5.2.11 (e)			Establish the baseline energy use of all car parks property assets in funds under management of Mirvac Funds Management.		Data collected for all assets for which Mirvac has operational or financial control.	Report 2009	
5.2.11 (f)			Establish the baseline energy use of all infrastructure assets in funds under management of Mirvac Funds Management.		Mirvac has determined that it does not have operational or financial control for these assets and thus does not collect energy data.	Complete	
5.2.12	All new commercial office property within Mirvac Property Trust and Mirvac Real Estate Investment Trust to achieve a minimum National Australian Built Environment Rating Scheme (NABERS) Energy Rating of 4.5 Stars.		One new commercial office property was built during the reporting period. See page 8.	Adopted			

**PROGRESS**

-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved






**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009

Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area</b>	<b>5. Environmental Impact</b>					
5.2 Energy	Investment	5.2.13	Instigate the required operational changes and commission the necessary upgrade works to achieve a 3 Star base building NABERS Energy average on all commercial properties across the MPT and MREIT portfolio in the sustainability performance management and reporting program.		See page 16.	Report 2009
		5.2.14	Examine opportunities to reduce stand-by power consumption in H&R rooms.		Examining opportunities with standby power boards.	Report 2009
		5.2.15 (a)	A requirement for commercially available energy efficient HVAC and appliances, within one ENERGY STAR of maximum available to be utilised in all Mirvac owned new builds and refurbishments to be included in H&R development specifications.		Draft in development.	Report 2009
		5.2.15 (b)	Commercially available energy efficient HVAC and appliances, within one ENERGY STAR of maximum available, to be utilised in H&R replacement programs.		Energy efficient appliances are the default choice.	Adopted
		5.2.16 (a)	A requirement for Compact Fluorescent Lamps (CFLs) to replace incandescent light bulbs in all Mirvac owned new builds and refurbishments to be included in development specifications.		Draft in development.	Report 2009
		5.2.16 (b)	Compact Fluorescent Lamps (CFLs) to progressively replace incandescent light bulbs in all new existing H&R.		Where applicable, all lights being upgraded.	Report 2009
		5.3 Water	Office	5.3.1	All taps to be 5 Star minimum and toilets are 4 Star minimum.	
5.3.2	Investigate opportunities for waterless urinals.				Assessment complete in Sydney and Melbourne. Waterless urinals utilised in Sydney. Not feasible in Melbourne without significant plumbing changes. Target carried forward in remaining offices.	Report 2009
Development (Residential)	5.3.3		Suitably rated water efficient fixtures and fittings to be installed in all residential developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	5.3.4		Water efficient landscape design, including careful selection of plants and irrigation methods, to be undertaken in all residential developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	5.3.5		An integrated water sensitive urban design (WSUD) and stormwater management strategy to be developed for all large scale residential developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	5.3.6		Determine feasibility of installing rainwater tanks in 20% of new homes outside NSW (rain water tanks are a BASIX requirement in NSW).		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	5.3.7		Undertake water balance and hydrological modelling to assess feasibility of stormwater harvesting options in 100% of developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	5.3.8		Grey water recycling opportunities to be determined and reported for each State.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
Development (Non-Residential)	5.3.9 (a)		Suitably rated water efficient fixtures and fittings to be installed in all retail developments.		Addressed under Mirvac Retail Sustainability Scorecard.	Adopted
	5.3.9 (b)		Suitably rated water efficient fixtures and fittings to be installed in all industrial developments.		Target carried forward.	Report 2009
	5.3.9 (c)		Suitably rated water efficient fixtures and fittings to be installed in all office developments.		Achieved for new commercial office developments within MREIT and MPT where this item is addressed under Green Star (Refer to 5.1.6).	Report 2009
	5.3.9 (d)		A requirement for suitably rated water efficient fixtures and fittings to be installed in all Mirvac owned new builds and refurbishments to be included in H&R development specifications.		Draft in development.	Report 2009
	5.3.10 (a)		Water efficient landscape design, including careful selection of plants and irrigation methods, to be undertaken in all retail developments.		Addressed under Mirvac Retail Sustainability Scorecard.	Adopted
	5.3.10 (b)		Water efficient landscape design, including careful selection of plants and irrigation methods, to be undertaken in all industrial developments.		Target carried forward.	Report 2009
	5.3.10 (c)		Water efficient landscape design, including careful selection of plants and irrigation methods, to be undertaken in all office developments.		Achieved for new commercial office developments within MREIT and MPT where this item is addressed under Green Star (Refer to 5.1.6).	Report 2009
5.3.10 (d)	A requirement for water efficient landscape design, including careful selection of plants and irrigation methods, to be undertaken in all Mirvac owned new builds and refurbishments to be included in H&R development specifications.		Draft in development.	Report 2009		



























**PROGRESS**






-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009


























Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area</b>	<b>5. Environmental Impact</b>					
5.3 Water	Development (Non-Residential)	5.3.11 (a)	Water saving opportunities, including rooftop and stormwater harvesting and grey water recycling, to be investigated for all new retail developments.		Addressed under Mirvac Retail Sustainability Scorecard.	Adopted
		5.3.11 (b)	Water saving opportunities, including rooftop and stormwater harvesting and grey water recycling, to be investigated for all new industrial developments.		Target carried forward.	Report 2009
		5.3.11 (c)	A requirement for water saving opportunities, including rooftop and stormwater harvesting and grey water recycling, to be investigated in all Mirvac owned new builds and refurbishments to be included in H&R development specifications.		Draft in development.	Report 2009
	Investment	5.3.12 (a)	Establish the baseline water use of all commercial property assets in funds under management of Mirvac Funds Management.		Capturing comprehensive and accurate data continues to prove challenging, particularly in externally managed assets.	Report 2009
		5.3.12 (b)	Establish the baseline water use of all retail property assets in funds under management of Mirvac Funds Management.		As above.	Report 2009
		5.3.12 (c)	Establish the baseline water use of all H&R properties.		As above.	Report 2009
		5.3.13	Set water consumption reduction targets across the Mirvac Funds Management property portfolio.		To be set on established baseline.	Report 2009
		5.3.14	Examine opportunities for water saving through selection of laundry service providers in Hotels & Resorts.		Target carried forward.	Report 2009
5.4 Waste	Office	5.4.1	Clean office paper and commingled recycling service to be introduced into all offices.		Achieved in all head offices except Parramatta.	Report 2009
	Development	5.4.2	A minimum of 80% demolition waste is recycled and a minimum of 50% of pre-construction and construction waste to be recycled at all development sites.		Pre-construction and construction recycling rate is currently 75%, demolition waste is >80%.	Adopted
		5.4.3	Examine opportunities to specify product packaging/design/delivery to reduce site waste.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
	Development (Residential)	5.4.4	Provision of recycling services to be incorporated into the design of all developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.4.5	Provision to be made for twin-bin, twin-chute rubbish disposal and recycling service in all apartment projects.		Not included in Scorecard to allow for flexibility of design.	Complete
		5.4.6	Appropriate provisions having been designed and built into the building by Mirvac, Bodies Corporate to be encouraged to enter into contracts for waste disposal which include a recycling service.		Mirvac is updating the Home Owners Manual to include sustainability information, including content relating to recycling.	Report 2009
	Development (Non-Residential)	5.4.7	Examine opportunities to specify product packaging/design/delivery to reduce site waste.		Requirement not yet formalised.	Report 2009
		5.4.8	Provision of recycling services to be incorporated into the design of all developments.		Requirement not yet formalised.	Report 2009
	Investment	5.4.9 (a)	Establish the baseline waste generation and recycling of all commercial property assets in funds under management of Mirvac Funds Management.		Mirvac has an agreement with a national waste contractor, requiring regular reporting on waste and recycling. Uptake of this agreement has been inconsistent across the Group, due in part to existing contractor agreements at a number of sites. Where this contractor has not been appointed, waste reporting is limited, creating difficulties in establishing baseline performance.	Report 2009
		5.4.9 (b)	Establish the baseline waste generation and recycling of all retail property assets in funds under management of Mirvac Funds Management.		As above.	Report 2009
		5.4.9 (c)	Establish the baseline waste generation and recycling of all H&R properties.		As above.	Report 2009
		5.4.10	Recycling service to be provided at 90% of all commercial properties.		Target carried forward. As noted under 5.4.7 (a), uptake of the new waste agreement has been inconsistent, which has delayed the provision of recycling services.	Report 2009
		5.4.11	Reduce waste to landfill from all commercial properties to a maximum of 50% by 2009.		2009 target.	Report 2009
		5.4.12	Recycling service to be provided at 90% of all retail centres.		Target carried forward.	Report 2009
5.4.13		Run a retail tenant awareness campaign on waste reduction and recycling for at least 30% of retail centres.		Target carried forward.	Report 2009	
5.4.14	Reduce waste to landfill from retail centres to a maximum of 50% by 2009.		2009 target.	Report 2009		

**PROGRESS**






-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009

Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area</b>	<b>5. Environmental Impact</b>					
5.4 Waste	Investment	5.4.15	Glass recycling for back of house in all H&R where a service is available.		See page 17.	Report 2009
		5.4.16	Establish minimum requirements for recycling at each H&R including paper and cardboard, glass, aluminium cans, plastic bottles, telephone books, used light globes, used cooking oil and printer toner cartridges and implement where services are available.		Mirvac is currently seeking opportunities to expand current recycling services within H&R. A consistent minimum standard has not yet been established.	Report 2009
5.5 Ecosystems	Development (Residential)	5.5.1	Undertake tree retention program on all relevant sites.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.5.2	Determine requirements for a fauna site assessment and relocation or management program.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.5.3	Utilise local native species in landscaping of public areas.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.5.4	Encourage use of local native species in private space areas.		Mirvac is updating the Home Owners Manual to include sustainability information, including content relating to native plant species.	Report 2009
	Development (Non-Residential)	5.5.5 (a)	Utilise local native species in landscaping of retail public areas.		Addressed under Mirvac Retail Sustainability Scorecard.	Adopted
		5.5.5 (b)	Utilise local native species in landscaping of industrial public areas.		Target carried forward.	Report 2009
		5.5.5 (c)	Utilise local native species in landscaping of office public areas.		Target carried forward.	Report 2009
	5.5.5 (d)	Maintain local native/drought resistant species in landscaping of public areas of H&R properties, where applicable.		H&R seek to utilise native species in public area landscaping, however requirement not formalised.	Report 2009	
	5.5.6	Undertake tree retention program on all relevant sites.		Addressed under Mirvac Retail Sustainability Scorecard. Taken into consideration, though not formalised as a standard practice for other development types.	Report 2009	
	Investment	5.5.7	Maintain local native species in landscaping of public areas of properties under management of Mirvac Asset Management.		Target carried forward.	Report 2009
5.6 Transport	Office	5.6.1	Establish baseline employee travel patterns for each office.		Travel surveys undertaken for four of five head office locations. Mirvac's Melbourne office is working with specialist consultants to establish a workplace travel plan.	Report 2009
		5.6.2	Examine opportunities to increase the proportion of hybrid options and alternative fuels within the company vehicles.		Hybrid vehicle purchased for Melbourne, Perth and Brisbane offices. Perth office also uses a non-hybrid van to allow transportation of larger numbers in a single vehicle. Parramatta has a non-hybrid 4 cylinder vehicle, which will not be replaced at this stage. Sydney does not currently have a fleet vehicle.	Complete
		5.6.3	Examine opportunities for the introduction of staff bicycle storage and change facilities at all head-office locations.		Facilities provided in Sydney and Melbourne. Facilities included in the design for Mirvac's new Perth office. No immediate options for Mirvac's Brisbane and Parramatta offices.	Complete
	Development (Residential)	5.6.4	75% of the dwellings within 500m walking distance of transport stop (bus, train, ferry) for 'inner ring' developments.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.6.5	Work with Group Sustainability Manager to select two residential developments to pilot green travel plans and report back findings to assess benefits.		Target carried forward.	Report 2009
	Investment	5.6.6	Encourage commercial tenants to undertake a green travel plan.		Target carried forward.	Report 2009
		5.6.7	Pilot a green travel plans for occupiers and visitors of one retail centre.		Target carried forward.	Report 2009
5.7 Materials	Office	5.7.1	Establish baseline paper consumption for each office.		See page 16.	Complete
		5.7.2	Use minimum 50% recycled content paper in office machinery.		See page 15.	Adopted
		5.7.3	Use minimum 50% recycled content paper in office stationary.		See page 15.	Adopted
		5.7.4	Use recycled content and/or environmentally friendly paper and printing processes for all marketing collateral.		Majority of marketing collateral printed on recycled or environmentally responsible paper.	Report 2009
	Development (Residential)	5.7.5	Consider the embodied energy component of all materials - three materials to be investigated.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.7.6	All timber to be certified sustainably harvested.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted

**PROGRESS**

-  achieved
-  mostly achieved
-  work in progress
-  work begun
-  not achieved

**TARGET STATUS**

- Complete - Target complete
- Adopted - Target adopted as standard Mirvac business practice
- Report 2009 - Target not achieved and will be reported against in 2009

Sub-Area	Applicability	Reference	Objectives and Targets	Progress	Comment	Target Status
<b>Priority Area</b>		<b>5. Environmental Impact</b>				
5.7 Materials	Development (Non-Residential)	5.7.7	All timber to be certified sustainably harvested.		Requirement not formalised in non-residential development.	Report 2009
	Investment	5.7.8 (a)	Determine feasibility of adopting a minimum 40% recycling content standard for all paper requisites, such as toilet paper and hand-towels, for Mirvac Asset Management managed properties.		Review complete. Mirvac has selected a non-recycled paper, which carries certification from Good Environmental Choice Australia.	Complete
		5.7.8 (b)	Determine feasibility of adopting Eco Certified paper requisites for all H&R.		See above.	Complete
		5.7.9	Determine the feasibility of adopting environmentally friendly cleaning products for Mirvac Asset Management managed properties.		Target carried forward.	Report 2009
	5.7.10	All photocopy paper used by H&R to include minimum 40% recycled content.		See page 15.	Adopted	
5.8 Indoor Environmental Quality	Development (Residential)	5.8.1	Total Volatile Organic Compounds (TVOC) to be minimised, through selection of low TVOC materials including fabrics, carpets, fibreboard, plastic products, sealants, glues and adhesives, solvents, paints and varnishes.		Mandatory under MirvacPlus Residential Sustainability Scorecard.	Adopted
		5.8.2	Education material on the health and environmental benefits of low TVOC indoor spaces to be developed for residential customers.		Mirvac is updating the Home Owners Manual to include sustainability information, including content relating to indoor environmental quality.	Report 2009
	Development (Non-Residential)	5.8.3	Total Volatile Organic Compounds (TVOC) to be minimised, through selection of low TVOC materials including fabrics, carpets, fibreboard, plastic products, sealants, glues and adhesives, solvents, paints and varnishes.		Achieved for new commercial office developments within MREIT and MPT where this item is addressed under Green Star (Refer to 5.1.6). Generally adopted as Mirvac's default choice in other development types and business units, though not yet formalised as a mandatory requirement.	Report 2009
	Investment	5.8.4 (a)	Monitor indoor environmental quality in Mirvac Asset Management managed properties against recognised standard and report annually.		Ongoing monitoring in place.	Adopted
		5.8.4 (b)	Monitor indoor environmental quality in Hotels & Resorts with central plant systems and report annually.		Ongoing monitoring in place.	Adopted
<b>Priority Area</b>		<b>6. Climate Change Action</b>				
6.1 Climate Change	Group	6.1.1	Formalise a climate change policy.		Climate change addressed in the revised Mirvac Sustainability Policy - currently in draft.	Report 2009
		6.1.2	Continue to participate in the Carbon Disclosure Project.		See page 19.	Adopted
		6.1.3	Undertake an organisational climate change risk mapping exercise.		Mirvac has established the Climate Change Response Group. This group, which is chaired by Mirvac's CFO, and includes representatives from corporate risk, sustainability, and all business unit areas is developing Mirvac's business wide climate change response.	Report 2009
		6.1.4	Undertake a physical impact of climate change asset risk mapping exercise.		Target carried forward - to be reconsidered by Climate Change Response Group.	Report 2009
		6.1.5	Review our approach to carbon management and build on existing climate change mitigation and adaptation strategies.		Target carried forward - to be reconsidered by Climate Change Response Group.	Report 2009

