

EXTERNAL STAKEHOLDERS

Building strong relationships with our key stakeholders is critical to achieving our vision of sustainability excellence.

STRATEGIC OBJECTIVE:
TO REGULARLY ENGAGE AND SEEK FEEDBACK FROM EXTERNAL STAKEHOLDERS ON SUSTAINABILITY ISSUES THAT RESULT FROM OUR BUSINESS OPERATIONS.

MIRVAC TAKES AN ACTIVE ROLE IN ADVOCATING FOR A MORE SUSTAINABLE PROPERTY SECTOR BY REGULARLY ENGAGING WITH A WIDE RANGE OF INDUSTRY AND POLICY MAKERS.

INDUSTRY

We have a number of memberships with key green building and industry associations and we participate in public forums.

National Memberships

- > AAA Tourism
- > Accommodation Association of Australia
- > Australian Institute of Company Directors
- > Australian Property Institute
- > Bulky Goods Retailers Association
- > CitySwitch
- > Green Building Council of Australia
- > Housing Industry Association
- > Master Builders Association
- > National Association of Women in Construction
- > Property Council of Australia
- > Safety Institute of Australia
- > Shopping Centre Council of Australia
- > Tourism Transport Forum
- > Urban Development Institute of Australia

In addition to this, a number of senior managers at Mirvac hold positions on industry boards, roundtables, and committees. Through these industry bodies Mirvac keeps abreast of, and contributes to, industry-wide discussions, ensuring sustainability remains a top priority.

GOVERNMENT

Mirvac and its business operations are subject to compliance with both Federal and State environment protection legislation.

At the Federal level, Mirvac has triggered the EEO threshold and is required to report. Mirvac has also triggered the threshold of the National Greenhouse and Energy Reporting Act 2007 ("NGER").

Mirvac is also subject to the commercial BEED Act, which involves the disclosure of energy efficiency-related information at the point of sale or lease of commercial office space greater than 2,000 square metres.

In the 2011 financial year the BEED Act took effect. The first stage of the legislation requires a base building NABERS Energy rating to be disclosed at point of sale or lease for commercial office buildings or tenancies with office space over 2,000 square metres.

The second stage of the BEED Act, due for implementation on 1 November 2011, requires a Building Energy Efficiency Certificate ("BEEC") to be issued at the point of lease or sale for a tenancy or total commercial building area greater than 2000 square metres. The BEEC replaces the existing first stage requirements of the legislation for a NABERS rating to be disclosed at the point of sale or lease.

In 2012 the Federal Government plans to introduce a price on carbon pollution. Mirvac is not a liable entity under the draft legislation and will be marginally affected. However, the draft bill provides for increases in the total carbon cap and therefore does not preclude expansion of the number of directly liable entities before the scheme transitions to a cap and trade system in 2015.

FUNDING

- 1) The Royal Newcastle, New South Wales, received \$320,000 from the Department of Environment, Climate Change and Water ("DECCW") for the implementation of a cogeneration plant to reduce carbon emissions.

The cogeneration plant is the first of its size and type in Australia to be installed in a new residential/mixed use development.

The funding was received from the Climate Change Fund under Part 6A of the Energy and Utilities Administration Act 1987, administered by DECCW. The purpose of the fund is to assist industry to reduce greenhouse gas emissions and the impacts of climate change associated with water and energy activities.

- 2) From the Government's Green Building Fund, 650 Chapel Street, South Yarra, Victoria, received \$500,000 to upgrade chillers and the building management system.

The Green Building Fund helps asset managers to reduce the impact of their building's greenhouse gas emissions by reducing energy consumed during operation.

COMMUNITY

Building lasting community connections

A priority in our sustainability strategy is the creation of robust socially sustainable communities that continue thriving long after we have completed our developments.

We are currently developing national in-house guidelines to enhance our internal processes by providing a consistent approach to community engagement and consultation across our masterplanned communities.

The guidelines will outline our commitment to actively engage stakeholders and the local community to enhance the way people live, recreate, work, study, use services or do business at our masterplanned residential projects.

The guidelines will enable us to promote excellence in community development by designing neighbourhoods that enhance social interaction and ownership where people want to live, feel safe and are proud to call home.

London Benchmarking Group

Mirvac maintains its membership of the London Benchmarking Group ("LBG") Australia and New Zealand, an organisation whose members commit to measuring and benchmarking their corporate community contributions using the LBG methodology.

The LBG methodology provides a transparent and reliable method to measure and benchmark contributions. Mirvac Development Victoria has continued to pilot the LBG methodology to measure charitable donations, community investment and commercial initiatives.

Mirvac will begin to roll out the LBG across the Group in 2012.

NeighbourhoodNet

The increasing popularity of the in-centre community noticeboard at Mirvac shopping centres has provided a platform for the development of Mirvac's online noticeboard, called NeighbourhoodNet.

The popularity of the traditional in-centre noticeboard meant it was constantly full and Centre Management struggled to ensure notices were rotated and updated in a timely manner. Instead of purchasing a second noticeboard, the notices were taken online in an effort to increase engagement with the local community and reinforce our commitment to environmental sustainability.

NeighbourhoodNet is more than just an online noticeboard; it is a gateway to local knowledge and an interactive and effective means of communication. As well as buy and sell pages, local clubs, schools and organisations have community and sporting club sites, all of which form an integral part of NeighbourhoodNet. It is also a site for birthdays, graduations, baby announcements and more. Messages can be forwarded to friends with a personal image message; it is the 21st century equivalent of the local newspaper.

By 2012 a number of Mirvac shopping centres are scheduled to launch NeighbourhoodNet.

Mirvac is going beyond the hour

On Saturday, 26 March 2011 at 8.30pm Mirvac buildings were blanketed in darkness as we switched off for Earth Hour.

We have supported Earth Hour since it began in 2007, and this year Mirvac was an official sponsor of the event and the first annual Earth Hour Awards.

The Earth Hour Awards recognise the efforts of individuals from around the country who are going 'beyond the hour' and taking action to help create a more sustainable planet.

We also convened an internal Mirvac Earth Hour Challenge for staff to demonstrate how they have gone beyond the hour. The Sydney Marriott took out the honours with their Go Green Program, which offers conference guests the option to offset their carbon emissions as part of their conference package. The Sydney Marriott partnered with the carbon footprint management organisation, Climate Friendly, to implement this program, and funds go towards supporting renewable energy projects.

In addition, the Sydney Marriott also introduced Balance Water. Balance Water has a very low carbon footprint, is made locally, uses recycled materials and is completely biodegradable. The hotel also hosted a candlelight dinner during Earth Hour with mostly cold, organic local produce and an acoustic guitarist entertaining on the night.

Cherrybrook Village was a close runner up in the Mirvac Earth Hour Challenge with a colouring-in competition aimed at engaging the younger generation to switch off. Cherrybrook Village's initiative encouraged a number of other Mirvac shopping centres to take up the same promotion.



EXTERNAL STAKEHOLDERS

Helping our flood affected neighbours

When the devastating Brisbane River floods hit in January 2011 our primary concern was for our employees and for the residents living in or near Mirvac developments along the riverfront. A disaster management plan was immediately activated by the Mirvac Queensland management team, and assistance offered to all affected employees and residents. In the worst affected cases temporary accommodation was provided.

As the extent of the damage became apparent, teams of Mirvac employees became involved in the massive clean-up operation.

The floods impacted directly on a number of Mirvac properties across Queensland. In recognition of the great loss and hardship being endured across many Queensland communities, Mirvac provided direct contributions of approximately \$2 million to customers and staff.

River Homes, Victoria, Stage 3 and 4

Webb Bridge, an Urban Art Initiative for public benefit, which links the Yarra's Edge Precinct to the Northern end of Docklands.



Supporting innovation

Mirvac supported the Sydney arrival of Plastiki, a distinctive 60-foot catamaran created from 12,500 reclaimed plastic bottles. Plastiki is designed as an off-the-grid vessel, relying primarily on renewable energy systems including solar panels, wind turbines, bicycle generators and water recovery and rainwater catchment systems. The project aims to draw attention to the health of the worlds' oceans, in particular the large amounts of plastic debris, by showcasing waste as a resource.

As part of this campaign, the boat set sail from San Francisco to Sydney crossing the Pacific Ocean, a voyage of over 8,500 nautical miles.

The Plastiki

Plastiki arriving in Sydney Harbour.



Vinnie's CEO Sleepout – Raising Money for the Homeless

On Thursday, 16 June 2011 CEO for Development NSW and Victoria, John Carfi, braved Melbourne's chilly winter weather to experience a small taste of homelessness by participating in the CEO Sleepout to help raise money for the homeless.

John was the most successful fundraiser for the event in Victoria, raising over \$42,000 for the ongoing provision of Vinnie's homeless services across the country.

Generous contributions came from Mirvac staff, sub-contractors, stakeholders, customers and friends.

Vinnie's CEO Sleepout

John Carfi joined the many other CEOs who participated in the CEO Sleepout.



With over 105,000 Australians homeless every night and more than 34,000 of these being children, the aim of the Vinnie's CEO Sleepout is to not only raise funds but also increase awareness of homelessness.

Mirvac's Movember

Mirvac's Engineering and Operations ("E&O") team, became the 'E&Mo' team for Movember 2010 raising over \$6,300 for men's health.

Movember encourages men to grow a sponsored moustache for the month of November and has become an iconic event raising funds for prostate cancer and men's depression.

The E&Mo team garnered the support of Mirvac colleagues, friends and families to help raise money and awareness for these important issues.

Movember

Mirvac's E&Mo team celebrate a successful Movember.



The Sebel Parramatta

The Sebel Parramatta partnered with Kids West Charity to donate a 25 kilogram Easter egg to the children at Ronald McDonald House.

The egg formed part of an attractive Easter display in The Sebel Parramatta's foyer before being donated to the children for their Easter celebrations with their families.

A Giant Easter Egg for Kids West

L to R - Zac Hope, General Manager The Sebel Parramatta, Alan Overton AM, Board Member Westmead Medical Research Foundation, Rachel Noonan, Corrie Carter and Trevor Oldfield, Kids West Charity.



EXTERNAL STAKEHOLDERS

INVESTORS

Mirvac believes sustainability performance should be an important consideration for investors, and we continue to improve the level of sustainability information provided to investors through regular communications.

To demonstrate our commitment, Mirvac became a signatory to the Investor Group on Climate Change ("IGCC") and the United Nation's Principles for Responsible Investment ("UNPRI").

In a year where business has endured further global financial challenges, we have consistently viewed sustainability as a priority and our progress continues to be recognised externally.

Note: All index rankings are current as at time of publication.

FTSE4Good

In 2011 Mirvac achieved top ranking for the global Real Estate sector in the new FTSE4Good ESG ratings system.

The Global FTSE4Good ESG Ratings offer an objective service for investors by measuring a company's risk and performance for material environmental, social, and governance issues.

Mirvac also continues to be recognised as a sustainability leader and a member of the FTSE4Good Index. Membership provides reassurance to investors that Mirvac demonstrates a commitment to environmental management, climate change, countering bribery, upholding human and labour rights and maintaining supply chain labour standards.

Global Real Estate Sustainability Benchmark

In 2011 Mirvac was recognised in the highest performing category 'Green Star' in the Global Environmental Real Estate Index. The index includes scores on environmental management practices and the implementation of these practices. Mirvac's ranking indicates an integrated organisational approach towards measurement and management of environmental key performance indicators. It also recognises our leadership in reducing resource consumption and innovation in measures beyond energy efficiency such as productivity and tenant behaviour.

The survey on which the index is based was carried out by the Global Real Estate Sustainability Benchmark ("GRESB") Foundation, an initiative of some of the world's largest institutional investors, leading academics and industry bodies. GRESB provides a science-based sustainability benchmark for commercial property portfolios and is a tool for institutional investors to start a dialogue on social and environmental issues with their real estate managers.

By using information collected by GRESB, institutional investors can compare the environmental performance of individual property investments with their environmental real estate targets.

Carbon Disclosure Project and Leadership Index

Mirvac completed the CDP questionnaire for the sixth year. CDP is an investor coalition representing 551 institutional investors, holding US\$71 trillion in assets under management and some 50 purchasing organisations.

CGI Glass Lewis & Co

CGI Glass Lewis & Co, a leading independent governance, analysis and proxy voting firm, rated Mirvac's environmental performance as 'Best Practice', with the highest possible score in 2011.

CGI Glass Lewis & Co serves institutional investors that collectively manage more than US\$17 trillion in assets.

Mirvac was also rated as 'engaged' for social performance in the same report.

Dow Jones Sustainability Index

Mirvac continues to be a constituent on the Asia Pacific Dow Jones Sustainability Index ("DJSI"), which comprises the leading companies in terms of sustainability from developed markets in the Asia Pacific.

The DJSI follow a best-in-class approach, including companies across all industries that outperform their peers in numerous sustainability metrics. Each year, 2,500 of the world's largest companies, from 57 sectors, are invited to report on their sustainability performance. The result of the Corporate Sustainability Assessment provides a detailed analysis of economic, environmental and social criteria, such as corporate governance, water-related risks and stakeholder relations, with a special focus on industry-specific risks and opportunities. The questionnaire is independently verified by Deloitte.

Australian SAM Sustainability Index

Mirvac continues to be a member of the real estate sectoral leadership group in the Australian SAM Sustainability Index ("AuSSI") over the last four years.

The AuSSI selection process is conducted once a year in parallel with the DJSI to identify the sectoral sustainability leaders amongst the top 200 listed Australian companies.

Global Reporting Initiative

This report is based on the GRI as detailed from page 85.

CUSTOMERS

We value our customers and recognise the important role they play in achieving long term sustainability.

Making the most of your Mirvac Home

Mirvac home buyers receive a Homeowners Manual which includes comprehensive information on the environmental features of their home and guidance on operating their new homes efficiently.

The manual includes information for homeowners to reduce their environmental footprint and save money. This includes tips on effective heating and cooling, reducing water consumption, accessing public transport and key considerations when purchasing major appliances.

Communicating with our home buyers in this way helps ensure that sustainable design translates into sustainable operation.

Raising awareness among Tenants

In 2011 we began a communications program in some Mirvac building elevator screens to inform tenants about the NABERS rating for their building and what the rating equates to in terms of the number of cars removed from our roads each year. This enables tenants to better understand how their building impacts our environment and how we are continually working to reduce this impact.

Satisfaction

Mirvac has implemented an integrated customer satisfaction program to capture customer feedback in real time across our development portfolio. This automated system monitors customer satisfaction at various points in the purchasing process to ensure we deliver on our commitment of valuing our customers.

Our hotels division has a similar system which randomly surveys guests who stay in, or use, our hotel facilities.

This system allows Mirvac Hotels & Resorts to establish KPIs around customer satisfaction, which allows us to monitor our performance in a timely manner.

In addition to this e-program, our hotels division conducts regular 'Mystery Shopper' stays to ensure our high levels of customer service, quality of product and brand standards are maintained. Customers can also provide feedback via the 'pillow talk' form in their rooms which they can hand to any associate for immediate action. Any complaints are actioned within 24 hours.



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LOOKING FORWARD

SOME OF OUR KEY ACTIONS FOR 2012 ARE:

Develop a consistent approach to community engagement and consultation for all masterplanned community projects

Develop innovative ideas to inform existing and potential customers of sustainable design features of Mirvac buildings

Implement generic green lease clauses endorsed by Mirvac Legal

Implement a project to engage with Mirvac's key tenancies to achieve joint sustainability outcomes

Map how information is communicated to our external stakeholders across various business units

Streamline the provision of sustainability information to stakeholders to encourage and promote sustainability excellence

Continue to research Mirvac's residential customers to understand changing demographic characteristics and preferences in terms of sustainable design

Plan employee participation in a Mirvac sponsored charity or community day

Engage with industry and government by representing Mirvac in line with Mirvac's goal of Sustainability Excellence

Host internal events, inviting key speakers from industry and Mirvac's investors

Develop processes to embed the UNPRI into the business

