SUPPLY CHAIN

STRATEGIC OBJECTIVE: TO FURTHER DEVELOP RESPONSIBLE SUPPLY CHAIN MANAGEMENT PRACTICES. We are committed to working with companies that have a similar commitment to sustainability. We recognise the opportunity we have to make a positive impact through our purchasing decisions and supply chain management.

SUPPLY CHAIN

WORKING WITH SUPPLIERS

In line with Mirvac's commitment to sustainability excellence, we have formulated a sustainable procurement strategy. This includes a review of the procurement practices within our supply chain, with the aim of developing a sustainable procurement policy.

Suppliers to Mirvac with leading sustainable production and procurement processes were interviewed to gain an understanding of best practice initiatives in sustainable procurement. The information gathered from these suppliers was compiled in a sustainability checklist to be implemented across our supply chain. The sustainable procurement checklist will be sent to suppliers through Mirvac's standard tendering process. The results will be collated to benchmark current procurement practices within our supply chain, which will inform the development of a sustainable procurement policy.

The checklist addressed the following categories:

- > Environmental management;
- > Employment practices;
- > Corporate social responsibility;
- > Greenhouse gas emissions;
- > Commitment to sustainability and demonstrated sustainability performance;
- > Transport and logistics; and
- > Product reporting.

INITIATIVES

Mirvac's internal supply chain management, in conjunction with Hotels & Resorts, recently introduced a new range of guest amenities in the Sea Temple, Quay West, Sebel and Citigate brand hotels. ERP[™] is an exclusive range of guest amenities designed to be biodegradable in landfill conditions, thereby reducing the problem of solid waste disposal. The packaging materials that are used contain Eco Pure®, an organic based additive that renders any plastic material biodegradable in a landfill environment. ERP[™] products also meet recycling standard and can be recycled via local recycling facilities. Mirvac is proud to continue its supply partnerships with hygiene and paper supplier, SCA. Sustainability is an integral part of SCA's operations and products. Mirvac purchases the Tork range of certified sanitary paper products across all divisions of the Mirvac Group.

We also continue to value our relationship with Corporate Express, market leaders in sustainability. Mirvac is working closely with Corporate Express to introduce more of its Earth Saver products across our business divisions.

LOOKING FORWARD SOME OF OUR KEY ACTIONS FOR 2012 ARE:

Complete a survey of Mirvac's producers and suppliers to identify best practice

Develop a responsible procurement policy and 'in practice' guidelines

Identify and promote Mirvac preferred product suppliers internally and incentivise other suppliers to raise performance