



BUILDING
TRUST
WITH

SUSTAINABILITY

THE TRUST'S sustainability program, now into its ninth year, responds to demand for greater focus on environmental concerns. It also helps to drive asset performance across the Trust's portfolio. More recently, we have begun to support and encourage tenants to adopt sustainability practices that dovetail with our initiatives.



Energy savings



Water efficiency



Waste minimisation

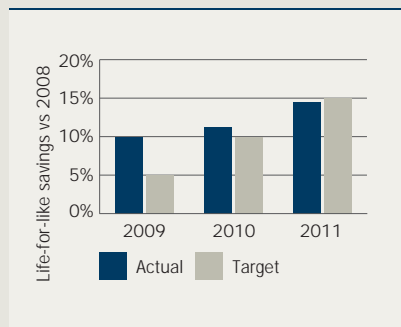


"Environmental sustainability underpins responsible investment. We've had a highly effective sustainability program underway now for nine years which is delivering excellent results."

JASON HAPPY /
NATIONAL FACILITIES MANAGER

Three years ago, we set ourselves a challenging target of reaching 15% energy savings across the portfolio by the year ended 31 March 2011. Actual energy savings achieved were 14.6%, or over 4,150,000 kWh a year. That is equal to the energy used in 416 typical New Zealand homes in a year.

Energy savings



Key energy savings

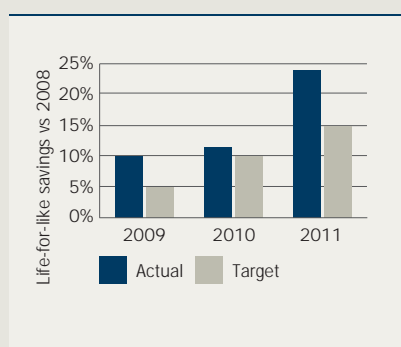
- 44 The Terrace usage reduced 16% from 2010 through upgrade works to the cooling system
- Sylvia Park usage reduced 11% from 2010 through a focused audit and review program
- National Bank Centre usage reduced 12% from 2010 through heating and hot water upgrades

We set a challenging 15% savings target for water consumption for the three-year period to 31 March 2011.

This target was exceeded, with annual savings now totalling over 53 million litres, enough to fill over a thousand home swimming pools every year.

Our aim is for our office buildings to achieve an equivalent of an unofficial 3.5 star National Australian Built Environment Rating System (NABERS)¹ rating, representing an above average to strong performance.

Water savings



Key water savings

- Sylvia Park water usage is now 9% below 2010, thanks to equipment modifications and initiatives to change behaviour
- 21 Pitt Street water usage is down 8% on 2010 by continuing a very successful water reduction program
- The Majestic Centre water usage has decreased 8% on 2010 through a focused management regime

We set a 15% improvement target for the three-year period to 31 March 2011 for waste to landfill. Our results exceeded this target with over 353 tonnes of waste diverted from landfill this year alone.

Waste minimisation



Key waste minimisation areas

- Sylvia Park reduced waste to landfill by an impressive 107 tonnes from 2008, with a site-wide recycling scheme involving significant retailer participation
- National Bank Centre reduced waste to landfill by 33% from 2010 by adopting off-site sorting and careful on-site controls
- Vero Centre and North City reduced waste to landfill by 16% and 10% respectively through ongoing waste reduction programs

¹ NABERS is an Australian 1-5 Star rating system which can only be applied unofficially in New Zealand.

New developments

The ASB North Wharf building, currently under construction, has sustainability amongst its guiding principles. The resulting design is not only striking but graphically demonstrates sustainability through key features such as the shading, ventilation structure and building form. Key sustainability features include natural ventilation through opening windows and an innovative roof structure to draw air through the building, supplementary displacement airconditioning, extensive atria spaces, rainwater harvesting and efficient plant equipment. The Trust expects to obtain a 5 Greenstar rating for the building, a

rating noted by the New Zealand Green Building Council (NZGBC) as signifying 'New Zealand Excellence'.

Tenant engagement

We encourage and guide tenants to adopt sustainability principles in their business activities. Our retailer fit-out guides now offer extensive guidance on sustainability. Over time, we will look to further develop guidance to foster joint sustainability efforts.

Outlook

We are committed to promoting sustainable practices in the property industry and working closely with

organisations such as the NZGBC to foster sound standards and assessment methodologies. By continuing to set challenging targets and seeking opportunities for better performance, our initiatives will benefit both investors and the environment.



CARBON DISCLOSURE PROJECT



“We place real emphasis on securing the highest calibre of people, and ensuring they have the skills, motivation and leadership to do a great job.”

KYLIE EAGLE / HEAD OF HUMAN RESOURCES



THE CAPABILITY and commitment of the Trust’s management team is crucial to maximising returns for investors. We place real emphasis on securing the highest calibre of people, and ensuring they have the skills, motivation and leadership to do a great job.

Developing and growing our people’s capability is vital. We support this through in-house and external training, industry involvement and personal study programs. In 2011, we assisted more than 10% of our employees with their aspirations to undertake tertiary study. We also foster individual growth and progression by supporting internal promotions into roles as a first option.

During the past financial year, managers across the broader Colonial First State Global Asset Management Group (CFGAM) undertook training through a ‘LeadFirst’ program, which focuses on developing advanced leadership skills in our managers.

We foster a collaborative, achievement-focused culture, which is supported by an improved intranet that enables open communication and learning between all of our locations across New Zealand and direct information from our global parent.

Social and community

As a responsible Manager, we acknowledge that the Trust has an important role to play in the community. The Trust provides financial, in-kind and promotional support to the community through its partnering with Middlemore Hospital, CureKids, Prostate Cancer Foundation of New Zealand, Cancer Society of New Zealand and New Zealand Red Cross – disaster relief. Staff fundraising in support of the Christchurch earthquake relief effort, which was matched equally by CFGAM, resulted in a donation of approximately A\$16,000 to Red Cross. Commonwealth Bank of Australia, through its wholly-owned New Zealand subsidiary ASB Bank, contributed a further \$1 million.

Our shopping centres are part of their wider communities, providing a focal point for activities and a source of employment. The centres support their communities by providing space, facilities and funds to local organisations, charities and schools.

Red and Blackout campaign

In response to the Christchurch earthquakes, our shopping centres

implemented a collaborative fundraiser in support of the New Zealand Red Cross 2011 Earthquake Appeal. The appeal raised \$30,000.

Donation for gift wrapping service

Each year our shopping centres hold a ‘donation for gift wrapping service’ with each centre nominating a charity to support. For the 2011 financial year the centres collectively raised over \$53,000.

Mall walks

Mall walk is a community program to encourage customers, particularly senior citizens, to use our shopping centres as a fun way of getting fit in a warm and safe environment. The members meet regularly to walk and exercise their way around the centres under the guidance of trained professionals.

Centre Place’s ‘Jump Start Your Business’

The Centre Place Shopping Centre management team seized a great opportunity to support a lucky local entrepreneur with their ‘Jump Start Your Business’ campaign. The campaign aimed to ease the burdens faced by new business owners. The \$65,000 prize package included:

- free six-month retail lease at the centre
- advertising support from Mediaworks Waikato and the Waikato Times
- expert business mentoring from Opportunity Hamilton
- high-end website from wwwmedia
- store fit-out design from Cemac
- building services from Young Construction Limited
- signage from Hotshot Signs

Aspiring retail business owners were invited to submit business plans. Five finalists were posted on The Edge radio station website, spanning a wide range of retail concepts from cupcakes to photography. Community involvement was then encouraged with online voting accounting for 30% of the final decision. The winner, announced in Centre Place, was Shirt Addiction.

Stephen Wallace from Shirt Addiction intends to open an innovative retail business, where people can come in and print their own t-shirts, and where designers can sell their t-shirt designs on commission. The Jump Start program initiatives will aim to position the business for future success.