

# Environment, Community and Workplace Health and Safety Report



THE ENVIRONMENTALLY FRIENDLY EATORY AT ERINA FAIR, NSW

**GPT is committed to ensuring that its assets are managed in a responsible manner that is sensitive to the environment and community. Within each property portfolio, property managers are required to have a program for managing environmental risk. The programs are tailored to each sector and require defined objectives and targets; reports on current and planned initiatives; and monitoring via regular external audits.**

This Report provides examples of some of the key initiatives being undertaken across each of GPT's property portfolios in regard to the environment, community and health and safety. The large amount of development work being undertaken across the portfolio provides an opportunity to implement new initiatives that focus on the environment as well as community engagement.

GPT was nominated for two awards at the third annual Ethical Investor Sustainability Awards in 2003. The awards recognise corporate entities for outstanding achievements in areas of corporate sustainability, including Environment, Community/Social, Labour Relations and Corporate Governance. GPT was nominated in the categories of Community/Social (for the development at Erina Fair) and Corporate Governance.

## **Environment**

### **Retail Initiatives**

Within the Retail Portfolio, opportunities to address environmental and social issues are increasingly being provided by the significant development pipeline. Developments were

completed at Erina Fair and Floreat Forum in 2003, a major redevelopment is underway at Melbourne Central and developments are anticipated to commence at Macarthur Square and Penrith Plaza over 2004.

The Lend Lease Retail Group (LLR) manages GPT's portfolio of shopping centres and plays a central role in the operation and development of GPT's retail assets.

Last year, GPT reported on project specific initiatives at two centres under development (Erina Fair, NSW and Floreat Forum, WA). At Floreat Forum, shower towers were used to provide simple and effective ventilation which is not only energy and cost efficient but improves air movement and thermal comfort within the Centre. At Erina Fair the newly created Eatory uses displacement ventilation, another environmentally friendly cooling method and also boasts a shading system developed to maximise the use of natural light. These initiatives are now operating effectively, creating a more 'natural' environment and also reducing the energy use at each of these centres.

In the last 12 months, sustainability in design has been given even greater emphasis across the Portfolio in planning for and implementing developments. This practice recognises that substantial environmental and economic improvements are possible by taking a 'whole of life' approach to the development and operation of retail assets. These initiatives build on the efforts of the last two years and provide an essential element of structure to enable a more strategic approach to sustainability activities and investments as well as a broader platform for future environmental and sustainability reporting.

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A major focus of this approach is the introduction of Triple Bottom Line Reporting – Sustainable Investment which focuses on minimising environmental and social impacts in addition to economic aspects. This approach is apparent in relation to the development and operation of GPT's centres:

## **Developments:**

Development reports by LLR to GPT now align with the triple bottom line approach and are termed 'Sustainable Investment Reports'. This means that each development manager must clearly address environmental, social and economic issues in a comprehensive and clear manner. These reports are reviewed by GPT's management and Board and are a key factor in decision-making for each centre's future development. This is a significant advancement and is in line with best practice in Australia.

Consistent with this practice is the creation and use of an Environment and Community Charter which ensures that the sustainability initiatives for each centre under development are appropriate. Among other things the Charter ensures that Charter commitments are given prominence in relevant briefings and provides a mechanism for continuous reporting and performance by operations teams on completion of the development.

To date, this initiative has been applied to the masterplanning and development proposals for Melbourne Central, Macarthur Square and Penrith Plaza. Aspirational targets have been identified against which a number of initiatives, including passive space conditioning to malls and advanced lighting control systems linked to efficient lighting, will be investigated. The initiatives implemented in each development will be subject to monitoring and verification once the developments are complete.

## **Operations:**

In responding to 'sustainable investment' philosophy, the National Retail Operations teams have initiated water and waste management. The key aspects include:

**Water Management** – Participation in the Sydney Water 'Every Drop Counts' program which runs for 12 months from October 2003 with a target consumption reduction of 15% from baseline (Sydney sites only). The program is designed to address both physical issues (e.g. water saving devices) and behavioural changes (e.g. awareness and management practices) in order to achieve the target consumption outcomes. Progress against the targets will be monitored and reported.

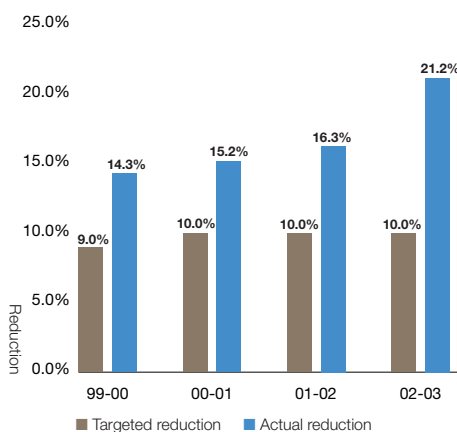
**Waste Management** – Resource NSW provided a grant to LLR to undertake a national waste audit in August 2003 from which a comprehensive waste mitigation plan is to be developed.

**Plastic Bags** – working with environment group, PlanetArk, LLR has developed a re-usable shopping bag for purchase in GPT's shopping centres in an effort to reduce the use of plastic bags and the consequent impact on the environment.

## **Office Initiatives**

GPT's office assets are managed by Jones Lang LaSalle (JLL), with the exception of 1 Farrer Place (managed by DB Real Estate). An ongoing focus across the Office Portfolio has been reducing the impact of GPT's office buildings on the environment through a focus on reducing greenhouse gas emissions. Since 1999, JLL has participated in an internally managed greenhouse gas reduction program with the majority of GPT's major office assets and has delivered significant and measureable results.

The chart below indicates the reduction in the level of greenhouse gas emission against the target for each period. For 2003 the assets achieved a 21.2% reduction in greenhouse gas emissions, far exceeding the reduction target of 10% (by July 2003) and improving on the results achieved in previous years.



Other initiatives across the Portfolio over the year include:

- Rolling out waste measurement and analysis initiatives which were successfully piloted at Australia Square in 2002. Australia Square has continued with the program to reduce waste and has reduced general waste by 40% over the last three years. Australia Square's waste removal budget for 2003/04 is now the same as that of 2001/02 despite increases in costs on waste sent to landfill.
- At Darling Park, cardboard, paper and cooking oil are recycled in the office towers and the Cockle Bay Wharf retail precinct. As a 'Clean Harbour Partner' with the City of South Sydney Council, Darling Park is part of a partnership agreement focused on reducing the amount of pollution entering Sydney Harbour through several initiatives such as educating contractors about the workplace.

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- At all office assets there are significant recycling programs in place including the Visy Co-Mingled Recycling system – where every recyclable item is captured. This reduces waste to landfill, tipping fees and landfill costs.

## **Industrial/Business Park Initiatives**

Developments in the Portfolio have offered opportunities to limit the impact of new assets on the environment. At Homebush Bay in NSW the construction of the Quad 3 building is underway, utilising:

- The Water Reclamation and Management System (WRAMS) which is available at Sydney Olympic Park. WRAMS collects and treats sewage and stormwater from the Quad 3 building and then supplies high quality recycled water back to the building for use in flushing toilets and for landscape irrigation.
- AAA rated water fittings and energy efficient lighting, which have reduced lighting loads to 10W/m<sup>2</sup>.

## **Hotel/Tourism Initiatives**

In the Hotel/Tourism Portfolio, Ayers Rock Resort is the major asset that plays an integral part in environmental initiatives.

### **Ayers Rock Resort**

Ayers Rock Resort is located adjacent to the unique cultural and environmental values of the World Heritage listed Uluru-Kata Tjuta National Park. The Resort is managed by Voyages Hotels and Resorts, which has a detailed and expanding Environmental Management Plan in place to minimise environmental impacts. Ongoing improvements in Best Practice Reviews measure the steady improvement in environmental performance to best practice levels and removal of various risks to operations.

Voyages Hotels and Resorts signed a Greenhouse Challenge Agreement in March 2000. Major expansion works occurring at the Resort in the past two years have resulted in greater energy demand (an 18% increase in hotel rooms since 2000 and the acquisition of other facilities). Despite this considerable increase, in the 2002/03 reporting period the Resort experienced only a 9.6% increase in greenhouse gas emissions, up to 16,162 tonnes. With the asset now stabilised, the Resort has targeted a 5% reduction in emissions for 2004, which will be achieved through improved energy conservation practices.

An independent study was completed on the Dune Plains Aquifer, which provides all water to the Resort, to determine the capacity, recharge and sustainability of this water supply. Supported by Uluru-Kata Tjuta National Park, Power and Water Corporation and Ayers Rock Resort, it was found that at current water usage the 'level of extraction from the Dune Plains Aquifer is deemed sustainable for the next decade'. The Resort continues to actively manage water conservation through its Water Management Plan.

## **Community**

During 2003 Voyages, the operator of Ayers Rock Resort on behalf of Unitholders, launched the Multijulu Foundation, with the first of a series of donations. The charitable foundation was established for the benefit of the local aboriginal community – Multijulu – to fund education, training and health initiatives for the local community. Ongoing funding will be through donations by business partners in the region and Resort guests, with Voyages matching each guest contribution, dollar for dollar, up to \$200,000 per annum.

## **Workplace Health and Safety**

GPT, as part of the Lend Lease Group, is committed to providing a healthy and safe environment for employees, stakeholders and the communities with which we interact. Lend Lease is focused on health and safety performance and adopts a strict philosophy of not compromising on safety.

In undertaking major development and construction across the portfolio, GPT largely utilises the services of Lend Lease. While Lend Lease has an impressive health and safety record, the business is committed to achieving an incident and injury free workplace. The importance of this commitment is communicated across all areas of Lend Lease's business, from staff on construction sites at GPT's assets to the GPT management team.

GPT supports and encourages this approach and oversees all projects through a review process, to ensure the philosophy is applied and that management are aware of any issues in relation to injury or health and safety at GPT assets. While GPT and Lend Lease have dedicated staff resources responsible for overseeing health and safety, by the end of 2004 GPT's management team, along with all Lend Lease employees, will have attended training workshops highlighting the importance of a personal commitment to the provision of an incident and injury free workplace across the business.