

# CORPORATE RESPONSIBILITY

## Corporate Responsibility

GPT recognises the interests of all our stakeholders and is committed to behaving ethically and operating in a sustainable manner that enhances economic, societal and environmental values. We believe this is an essential consideration to ensure our long-term sustainability.

We are committed to advancing corporate responsibility practices and performance in a manner that meets the needs of the present without compromising the needs of future generations.

As a result of this commitment, we seek to continually improve the economic, social and environmental returns from our business and assets to ensure the long-term sustainability of GPT.

In 2004, we committed to achieving greater alignment across our portfolios and with the internalisation of management complete, we have now established a Corporate Responsibility Steering Group to address material issues across our business platforms of property development, property management and operations and services.

This report provides an overview of our key activities during 2005. (Note: the JV's operations and assets managed by external parties other than Jones Lang LaSalle are excluded from this report.)

Our website provides additional information regarding our strategic approach, values, policies and governance as well as further details on the initiatives outlined below. Please visit: [www.gpt.com.au/corporate-responsibility](http://www.gpt.com.au/corporate-responsibility).

## 2005 Recognition, Ratings and Awards

During 2005 we were pleased to be recognised for our progress with a range of awards and through inclusion in a number of indices:

### Corporate Ratings

- Dow Jones Sustainability Index (DJSI) listing
- SAM Aussi Sustainability Index listing
- AMP Capital ranked GPT as No. 1 Australian sustainable property fund
- 7th place ranking in the 2005 Investor Perception Study.

### Awards and Recognition

- National@Docklands – Banksia Award for sustainable buildings
- Ayers Rock Resort – finalist for 2005 Banksia Business Environmental Award
- Ayers Rock Resort – achieved the Northern Territory's Tidiest Town award

- Voyages – Tourism Task Force's Corporate Innovation Award for Corporate Social Responsibility
- Ayers Rock Resort – Prime Minister's Award for Excellence in Community Business Partnership
- Charlestown Square – NSW Department of Environment Best Cleaner Production Cluster award
- Retail Portfolio – recognition for the Sydney Water Every Drop Counts Business Program Commitment to Water Conservation.

## 2005 Community Outreach Activities

In 2005, we supported a range of charities and groups through both financial contributions and employee participation.

We provided funding to help establish the Australian Graduate School of Management's Centre of Real Estate Research which will focus on research associated with financial implications of property ownership in its various forms.

We became a founding member of the Australia and New Zealand Investor Group on Climate Change. The group is focussed on increasing awareness of the risks and financial implications of climate change on investments.

A variety of activities were undertaken within individual communities across each portfolio. Overall, we contributed approximately \$1.2 million dollars to these outreach activities.

Many of our employees voluntarily participate in industry groups as well as local charities and community groups. We support and encourage these voluntary community efforts.

## Highlights - Achievement of 2005 Targets

During 2005, we collected core environmental performance data for energy, greenhouse, water and waste for over 70% of the Group's assets. Over 2006, we expect to expand this data to include non-GPT managed assets and the Lodges portfolio (largely acquired in 2004).

### Retail

The Retail Portfolio made significant progress during the year on key initiatives. The retail sustainability framework was updated in September following the transition of management from Lend Lease.

Compared to 2004, retail centres with water and energy management programs in place showed:

- an average water consumption reduction of 16%
- an average reduction in energy consumption of 4%.

Major redevelopments at Penrith Plaza and Macarthur Square (Stage 1) were completed in 2005 and are now in the verification stage. Progress on the environmental performance targets for these expansions will be reported in 2007.

# CORPORATE RESPONSIBILITY

The Rouse Hill Town Centre, which will create a major retail facility of 65,000 sqm will commence in March 2006 and is an opportunity to set new sustainability benchmarks for ecological efficiency for retail property. It will include a range of initiatives which will be reported on in future Reports.

## Progress on 2005 Targets

Retail portfolio strategy update to reflect GPT management	Complete
Environment Protection Agency Vic Covenant	Complete
Sydney Water Every Drop Counts roll out in NSW	Achieved
Ecological Footprint Calculator trial	Complete
Dandenong Plaza Eco-recycle Victoria	Certified
Parkmore Wastewise	Accredited
Penrith Plaza and Macarthur Square sustainability performance verification	In Progress

## Office and Industrial

The Office Portfolio continued to make progress on its targets for sustainability and progress was also made to align the Industrial/Business Park Portfolio with the office sustainability framework.

The Office Portfolio is a partner of Green Capital, which is an initiative of the Total Environment Centre. The purpose of this initiative is to develop the capacity of business to respond to sustainability issues.

Operational greenhouse emissions across the Portfolio are now lower in absolute terms than they were when the Greenhouse Challenge program first commenced in 1996-1997. This program has delivered \$5.9 million in energy savings since commencement.

During 2005, we analysed 2004 energy consumption data to obtain Australian Building Greenhouse Ratings for all office buildings that were capable of being rated. Targets, to be pursued over the next three years, have been set for each building.

Environmental performance targets have also been put in place in office and industrial developments. Darling Park Stage 3 (complete in November 2005) is targeting a 4.5 star ABGR base building rating and a 4 star Greenstar rating. Quad 4, at Homebush Bay (commenced in December 2005), is targeting a 5 star ABGR and a 4 star Greenstar rating.

The Pringle Project at the Riverside Centre in Brisbane was initiated and was recognised by the Environment Protection Agency in Queensland as a world-class water recycling initiative. The project, which involves the capture of cooling tower water and its re-use for toilet flushing, is projected to save about 3,500 kilolitres of water each year.

## Progress on 2005 Targets

SEDA ABGR ratings for each asset	Complete
Establish ABGR improvement targets and timeframe for achievement	Complete
Sydney Water Every Drop Counts roll out in NSW	Achieved
10.6% greenhouse emissions reduction as measured against forecast for 2004-2005	Achieved

## Hotel/Tourism

Significant progress has been made throughout 2005 on the governance and accountability structure for corporate responsibility within in-house property manager for the resort assets, Voyages. The appointment of regional Environment Managers within this business assisted in the expansion of activities on a variety of key fronts.

In 2005, we worked actively to lobby the Federal Government to expand the Opal fuel roll-out program. Opal is a low emissions fuel which is non-sniffable and was developed in response to the growing rate of petrol sniffing addiction in indigenous communities such as those adjacent to Ayers Rock Resort. The petrol is significantly more expensive than regular fuel and requires support from the Federal Government. In addition to working with other interested groups through the Opal Alliance, we have funded a social cost-benefit study by Access Economics which will be released in March 2006.

## Progress on 2005 Targets

Updated website for Corporate Responsibility	Complete
Phase out of single use plastic bags at Ayers Rock Supermarket.	Complete
36-hour minimum environmental improvement participation goal in all employee contracts	Implemented
Annual Threatened Species Monitoring program	Complete
Cape Tribulation Green Guardian program for visitors	Launched

## Outlook

Over 2006, we will continue to build on these initiatives and ratings. Major activities will include:

- expanding and formalising community outreach activities;
- progress on portfolio environmental performance improvement goals;
- responding to the New South Wales Energy and Water Savings Plan legislation;
- responding to the Federal Government's Energy Efficiency Opportunities legislation;
- completing commitments under the Sydney Water Every Drop Counts program;
- integrating the Lodges assets into the core environmental reporting goals; and
- successfully verifying the environmental performance of major developments.