

SUSTAINABILITY POLICY



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At the heart of Precinct is a business model that is designed to generate, and regenerate sustainable value. We are city centre specialists investing in high quality real estate.

Sustainability at Precinct means enabling sustainable and successful business, improving our operational performance and incorporating sustainable design across our properties. It is focused on the creation of positive environmental impacts centred around Precinct's commitment to our people, partners and communities in which we operate.

We understand that the operational aspects of Precinct's business, as an owner, developer and a manager of property, are responsible for having an external impact on a number of environmental, social and economic issues.

By recognising this, and that we operate in a changing global environment, Precinct aims to conduct its business as a responsible corporate citizen and therefore places great importance on operating in the most sustainable way it can. We believe this is essential to the long-term success of Precinct and being part of a truly sustainable future.

We want to create precincts that our clients thrive working within, and that City Centre residents, visitors and wider communities enjoy being in. We want our office buildings to be the preferred places to work in the Auckland and Wellington city centres.

To achieve this, we recognise that sustainability is an important part of Precinct's business activities. Our sustainability strategy has therefore been designed in parallel with Precinct's broader business strategy. This alignment has provided us with a sustainability framework which we have adopted to both assist and illustrate Precinct's sustainability context, approach and priorities.

Precinct's approach reflects the goal of a more environmentally sustainable management model, recognising the drive to a more environmentally sustainable portfolio. Our objective is to deliver improvements in environmental performance and operational costs, and meet the trend from occupiers to prefer more environmentally sustainable office accommodation. Our sustainability approach incorporates elements from international best practice models.

Four central ideas underpinning Precinct's sustainability approach have been identified.

These are:

City centre focus - Precinct's business strategy has resulted in an asset portfolio focused on the city centres of both Auckland and Wellington.

Interdependence - Precinct's assets are broadening in their function (e.g. commercial office space, leisure, retail, community, tourism and others). Precinct is committed to strengthening the communities and businesses of the cities in which they operate.

Industry leadership - Doing things smarter than industry incumbents is a core operating belief for Precinct that is evident in its sustainability approach.

Long term sustainable returns - Precinct has made commitments to forego short term commercial performance in order to make investments that result in a more favourable long term business trajectory.

These central ideas drive Precinct's sustainability framework.

Furthermore, we have identified three overarching themes of Precinct's environmental, social and governance (ESG) performance. These are:

- **Designing the Future**
- **Operational Excellence**
- **Our People and Partners**

Precinct acknowledges that it must take actions that support ESG issues and embed sustainability throughout Precinct's business and day to day operations.

This means:

- Providing our clients with an efficient, healthy and productive working environment;
 - Creating visionary designs and smarter builds incorporating environmental efficiency and achieving high ratings for NABERS and GRESB;
 - Resilience to climate change and economic trends;
 - Minimal environmental footprint with a conscious effort to reduce water usage, energy usage and carbon emissions;
 - Promote and improve health, safety and well-being of all stakeholders, developed in accordance with best practice;
 - Setting and reviewing sustainability objectives and targets and measuring performance for reporting progress;
 - Partnering with like-minded suppliers, clients and stakeholders who have made a commitment to sustainability and operating as responsible corporate citizens; and
 - Commitment to the local communities where we operate .
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We are committed to the delivery of this policy and will measure and publicly report on progress towards our sustainability goals annually. Precinct have established a Sustainability Committee to formally meet during the year, at least quarterly. They act as custodian for Precinct's sustainability strategy and comprises representatives from across the business. The Committee are responsible for assessing, actioning and driving ESG issues, reviewing performance and considering Precinct's long-term strategy on sustainable activities across the business and reporting on its progress.

We are dedicated to creating vibrant environments and enabling sustainable and successful business.



Richard Hilder
Chief Financial Officer and Chair of Precinct Properties NZ Limited's Sustainability Committee
2018



For more information, please visit the sustainability section on Precinct's website: www.precinct.co.nz