

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization

This is the eighth submission made by CFS Retail Property Trust Group (CFX or the "Trust") to the CDP and covers the period 1 January 2012 until 31 December 2012. CFX is a retail sector-specific Australian Real Estate Investment Trust (A-REIT) which invests in quality regional and sub-regional shopping centres across Australia as well as retail outlet centres. The Responsible Entity of CFX is Commonwealth Managed Investments Limited (CMIL or the "RE"). CMIL has appointed Colonial First State Property Retail Pty Limited (CFSPRPL) or the "Manager", as the Manager of CFX. CFSPRPL is the management entity utilised by the Property division of Colonial First State Global Asset Management (CFSGAM). (In this document the Manager refers to both CFSPRPL and CFSGAM). Subject to certain limitations, the Manager has a duty to carry out or cause to be carried out all the functions, duties, responsibilities and obligations of the Responsible Entity. However, CMIL remains fully responsible for the actions of the Manager. The property assets owned by CFX are operated and maintained by the asset management division of Colonial First State Global Asset Management (CFSGAM-AM). CFSGAM-AM and CFSPRPL are both divisions of Colonial First State Global Asset Management the consolidated asset management arm of the Commonwealth Bank of Australia (the Bank). For the purposes of this survey and simplicity, all references to these bodies will fall under the definition of CFX, unless otherwise stated. CFX has been included in the Dow Jones Sustainability Index (DJSI) since September 2004 and the FTSE4Good Index since its inception in 2001. On 1 March 2007, CFSGAM became Australia's largest fund manager to become a signatory to the United Nations Principles for Responsible Investment (UNPRI). Our latest business Responsible Investment report is attached at the base of this page as further information.

Colonial First State Global Asset Management's Climate Change position paper is also attached to provide context.

Colonial First State Global Asset Management is an active member of the Investor Group on Climate Change (IGCC) and is represented on the Management committee. CFSGAM chairs the Property Working Group of the IGCC. CFX reports on its sustainability achievements on an annual basis through the sustainability section of the Trust's annual report.

0.2**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

| Enter Periods that will be disclosed |
|--------------------------------------|
| Sun 01 Jan 2012 - Mon 31 Dec 2012 |

0.3**Country list configuration**

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

| Select country |
|----------------|
| Australia |

0.4**Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

AUD (\$)

0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry and companies in the information technology and telecommunications sectors should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdproject.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Further Information

1. CFSGAM's 2012 Responsible Investment report is attached as further information.
2. Colonial First State Global Asset Management's Climate Change position paper is also attached to provide context.

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/Introduction/130430_2012_RI_report\[1\].pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/Introduction/130430_2012_RI_report[1].pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/Introduction/CC-position-statement May 2010\[1\].pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/Introduction/CC-position-statement%20May%202010[1].pdf)

Module: Management [Investor]

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Individual/Sub-set of the Board or other committee appointed by the Board

1.1a

Please identify the position of the individual or name of the committee with this responsibility

- Name of Committee: Board appointed Management Company, CFSPRPL (manager of CFX).
- CFSPRPL reports directly to the Board.
- This company is vested with the full power and responsibility on behalf of the Board, to implement climate change and more broadly sustainability policies and programs.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a

Please complete the table

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivized performance indicator |
|---|------------------------|--|
| Business unit managers | Monetary reward | It is a monetary incentive within the performance management process and a consideration in the overall remuneration arrangements of the Corporate Executive Team. Climate change, carbon reduction and building energy efficiency performance is a recognised aspect of the broader risk management processes of the business. The adoption and implementation of the risk management framework, including mitigation and management of those identified risks, forms part of the overall KPI requirements of all staff. Furthermore, CFX has publically disclosed short term energy reduction performance targets and the achievement of these at both individual building and portfolio Trust level is a consideration of the relevant remuneration package. (These energy reduction targets are effectively emission reduction targets). |
| Other: Environment/sustainability managers | Monetary reward | It is a monetary incentive within the performance management process and a consideration in the overall remuneration arrangements of the Sustainability and Responsible Investment team. Climate change, carbon reduction and building energy efficiency performance is a recognised aspect of the broader risk management processes of the business. The adoption and implementation of the risk management framework, including mitigation and management of those identified risks, forms part of the overall KPI requirements of all staff. Furthermore, CFX has publically disclosed short term energy reduction performance targets and the achievement of these at both individual building and portfolio Trust level is a consideration of the relevant |

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivized performance indicator |
|---|------------------------|--|
| Other: Property Management Team | Monetary reward | remuneration package. (These energy reduction targets are effectively emission reduction targets). It is a monetary incentive within the performance management process and a consideration in the overall remuneration arrangements of the Property Management Team. Climate change, carbon reduction and building energy efficiency performance is a recognised aspect of the broader risk management processes of the business. The adoption and implementation of the risk management framework, including mitigation and management of those identified risks, forms part of the overall KPI requirements of all staff. Furthermore, CFX has publically disclosed short term energy reduction performance targets and the achievement of these at both individual building and portfolio Trust level is a consideration of the relevant remuneration package. (These energy reduction targets are effectively emission reduction targets). |

Page: 2. Strategy

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details

- **Scope of Process:** At the strategic level, CFX utilises an enterprise-wide risk management framework that takes into account, as part of its formal practices, the consideration of and planning for strategic, regulatory, operational, liquidity, financial, market and report risk (in accordance with ISO 31000 and AS/NZS 4360:2004).
- **How assessed at company level:** Specific planning for risks are dealt with through the business strategy, which enables the detailed procedural controls, planning and implementation of risk management. Additionally, the Board has a risk appetite statement that sets the overarching risk tolerance parameters that CFX then operates within.
- **How assessed at Asset level:** The manager of CFX has assessed the potential severity of climate change on our industry and our assets. Climate change is (and will increasingly) impact on the scarcity and pricing of resources such as energy, water, building materials and waste. Each risk is assessed at the asset (property) level with every CFX asset having a Strategic Asset Plan (SAP) which assesses the strengths, weaknesses, risks and opportunities of each asset (including those pertaining to climate change). The Manager looks at climate risk at asset level by taking into

account the impacts of climate change through the enterprise-wide business strategy. The manager is currently looking to formalise this process, under the banner of “Climate Adaptation” which formally looks at adaptation and resilience, in conjunction with the existing mitigation framework and program.

- **Frequency:** The SAP is created annually, reviewed quarterly and informally if conditions change. At a company level risk is assessed continually and reported formally every quarter to the board. CFX's SAP assesses the strengths, weaknesses, risks and opportunities of each asset, including the effects of climate change.

- **Criteria for materiality:** Each risk is assessed in terms of the financial magnitude and probable impact to provide an overall materiality and severity of opportunity or loss.

- **Reported to:** The risk management process is undertaken by the property/facilities managers in the first instance, and is reviewed by the asset regional portfolio managers, who present findings to the fund management team. The initial audience for the process is the Fund Manager and ultimately any material issues will be reported to the Board of the Responsible Entity. At company level assessment is conducted by the Risk and Compliance team and fund management teams.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes

(i) The Process by which the strategy is influenced: CFSGAM, has a Climate Change Position Statement, and a Risk Management framework for the management of its assets and the CFX Trust as a whole. Risk and Opportunities relating to climate change are assessed on an asset by asset basis, as part of the Strategic Asset Planning process, on a quarterly basis. This is then rolled up to give an organisation wide view. The scope of the Strategic Asset Plan Process is to review all strengths, weaknesses, threats and opportunities, with climate change risk and opportunity slotting into this process. The Strategic Asset Plan process occurs annually, reviewed quarterly and also when required if asset conditions change, and additionally also informally when issues are identified.

(ii) Aspects of climate change that have influenced the strategy: The overall business strategy is to be “Recognised as the leading Australian based global fund manager, and part of the global leadership group on sustainability and responsible investment”. Underpinning this are our business objectives, which are designed to achieve the strategy over the short, medium and long term horizon. We consider the short term time horizon to be 0-5 years, medium term 5-10 years, and long term 10-15 years and beyond. There has been no change to both the short and long term strategies since the last reporting period, given that climate change has been integrated into the time horizons. Climate change has been integrated into the long term trust strategy through the asset operations which translates into financial risks; and through risk management and

compliance where risk mapping is identifying that climate change is of increasing importance and focus for the business.

(iii) Strategy for the short-term (short term = 0-5 years): Has been influenced by the climate change agenda. There has been no change to the short term strategy since the last reporting period, given that climate change has been integrated into the time horizons. The focus is on adaptation to reduce carbon emissions and on mitigating the effects of climate change in running our buildings. Energy use and emissions are managed and analysed, through benchmarking tools like NABERS Energy, and then managed to reduce emissions through efficiency measures. Replacement of plant and equipment is now analysed through the life-cycle with the aim being preparedness for climate extremes to ensure efficient operation of buildings and comfort conditions to occupants.

(iv) Strategy for the long-term (long term = 10-15+ years): There has been no change to the long term strategy since the last reporting period, given that climate change has been integrated into the time horizons. Our long term strategy has been influenced by the climate change agenda in that resilience is planned for in all aspects of managing the business. It is about taking the long term effects such as increased intensity of weather events, floods, drought, heat, and cold into strategic planning. Ensuring that when refurbishing buildings these aspects are taken into account to ensure resilience and that in new buildings, they are designed for the conditions expected from climate change.

(v) Strategic advantage: Addressing climate change provides the Trust with a strategic advantage. Our retail tenants are anticipated to follow the trend established in the Australian Office sector by increasing demand for more efficient and lower carbon buildings. With increasing costs for energy, water, building materials and waste, it is also economically more viable to have a more efficient building. Highly efficient buildings encourage greater demand from tenants, with lower operating costs, lower occupancy costs and lower vacancy rates (as well as less down time between tenants) and stronger rental growth. All of this results in assets with a lower risk profile and ultimately higher valuations. This strategy also provides investors with more confidence, putting upward pressure on CFX's share price. Short and longer term, CFX has set NABERS Energy and NABERS Water ratings targets across the portfolio to encourage the continual improvement in the efficiency of CFX's portfolio of assets, reducing the emissions from the Trust's assets. (NABERS energy targets are effectively the emission reduction targets at individual assets). The Trust has adopted a Green Lease Schedule (GLS) which is incorporated into all new leases. The aim of this GLS is one of tenant engagement in achieving better environmental outcomes from the building, both for the users and occupants as well as the owner.

(vi) Substantial business decisions: Our move to undertaking a formalised enterprise-wide assessment into "Climate adaptation" is a substantial business decision we have made this year. PRI and our Climate Change Position Statement form an integral aspect of the design of the 1 to 5 year business objectives planning and the long-term strategy of CFX. The management of these commitments, and those of the Direct Property Sustainability Policy, are incorporated into the business model, strategic planning for each asset class, the management of specific assets individually, and the overall performance expectations of the products and services we deliver. Additionally, these plans are supported through a dedicated advocacy program, with a team of sustainability and responsible investment professionals providing critical advice to the business and supporting it through representation to key government and industry bodies for the development of regulation, trading markets and enhanced performance over time. Collectively, these elements work to set the operating parameters of CFX in terms of its target setting for actions identified elsewhere, and are actioned through the Sustainability Implementation Plans we have in place for each asset within CFX.

The attachments include:

- **our Direct Property Sustainability Policy**, which enumerates the actions we are committed to in terms of improving assets through the adoption of sustainable property management practice, and our expectation as to how those actions will achieve overall improvement to both the quality and lifespan of the asset, and maximise investor return. Similarly,
- **the Annual Report** which includes a dedicated Sustainability Section under Responsible Property Investment.

2.2b

Please explain why not

2.3

Do you engage in activities that could either directly or indirectly influence policy on climate change through any of the following? (tick all that apply)

Direct engagement
Trade associations
Funding research organizations

2.3a

On what issues have you been engaging directly?

| Focus of legislation | Corporate Position | Details of engagement | Proposed solution |
|----------------------|-------------------------------|---|---|
| Energy efficiency | Support with minor exceptions | Engagement with the Australian Federal Department of Resources, Energy and Tourism (Climate Change Division), on an aspect of The Energy Efficiency Opportunities Act, regarding the requirements to complete Energy Mass Balances on our properties. | For CFX to trial a different approach to that in legislation and apply the results over the portfolio to satisfy (in a deemed to satisfy) capacity to fulfil the regulatory obligations. We believe it is a more appropriate approach to fulfil the requirements of the Act. If proven successful, this could be incorporated into legislation. |

2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position | How have you, or are you attempting to influence the position? |
|---|--|--|--|
| Responsible Investment Association of Australia | Consistent | •Business needs to be judged on environmental, social, ethical or governance performance, as well as their financial performance. •Business needs to continuously strive for improvement in all these areas of performance. • It supports the growth of the responsible investment sector and believes it can assist business to improve performance. • It believes that responsible investment portfolios can provide competitive returns for investors within defined risk parameters. • They encourage transparency within the investment industry in order to empower investors. | Support of the current Charter. |
| EUROSIF | Consistent | One of Eurosif's aims is to act as the voice of the SRI community to the European legislative and decision making bodies such as the European Commission and European Parliament. They offer our Member Affiliates the opportunity to help shape public policy on sustainability at a European level through exclusive meetings with policy makers and position papers that Eurosif regularly submits in response to EU legislative and non-legislative initiatives. | Support. |

2.3d

Do you publically disclose a list of all the research organizations that you fund?

Yes

2.3e

Do you fund any research organizations to produce public work on climate change?

Yes

2.3f

Please describe the work and how it aligns with your own strategy on climate change

We fund the research done by the IPD Australia to produce the Green Index. This index assists us in our strategy on climate change as it demonstrates the value of rated buildings, which have taken into account aspects of climate change through Green Star and NABERS.

2.3g

Please provide details of the other engagement activities that you undertake

2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

• **The Engagement Process:**

(a) Method of engagement: Generally the property business of CFSGAM subscribes to and supplies information to the industry associations such as the Property Council of Australia, (PCA) and the Green Building Council of Australia (GBCA). We engage directly with policy-makers as detailed in 2.3(a) and we have supplied access to properties to the policy makers and their consultants to explore the practical implications of proposed legislation.

(b) Topics of engagement: The topics generally have related to the proposed legislation in regard to the Australian Governments "Clean Energy Future", package of legislation relating to the carbon pricing mechanism and its related implications in regard to policy to our property assets, and the implication to investors.

(c) Nature of Engagement: This involves responding via the industry bodies to draft policy, legislation and other action on mitigation or adaptation, through research and by providing practical examples and results of the proposed policies, by example to the assets we manage. Sometimes the engagement is in support of climate adaptation proposals, and other times against proposed policies where these have not been thought through and result in impractical results for operators and investors.

• **Actions Advocating:** Our actions have encouraged endorsement of practical, low cost carbon mitigation actions and disclosure in regard to our assets and funds. Specific actions advocated have included showing support at the federal government level for the introduction of a carbon pricing mechanism, assisting in the development of both performance and design based green building rating tools, advocating the National Energy Savings Initiative white paper, and assisting the PCA and GBCA which guide the real estate Industry to improve energy and GHG reporting.

2.3i

Please explain why you do not engage with policy makers

Further Information**The attachments include:**

- our Direct Property Sustainability Policy
- the Annual Report which includes a dedicated Sustainability Section under Responsible Property Investment.

Our risk management procedures with regard to climate change risks and opportunities are integrated into multi-disciplinary company wide risk management processes, using an enterprise risk management system and in accordance with ISO 31000

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/CFX 2012 Annual Report.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/CFX%202012%20Annual%20Report.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/CFSGAM_Direct Property Sustainability Policy_31052012.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/CFSGAM_Direct%20Property%20Sustainability%20Policy_31052012.pdf)

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute and intensity targets

3.1a

Please provide details of your absolute target

| ID | Scope | % of emissions in scope | % reduction from base year | Base year | Base year emissions (metric tonnes CO2e) | Target year | Comment |
|-------|-------------|-------------------------|----------------------------|-----------|--|-------------|---|
| 3.1a1 | Scope 1+2+3 | 100% | 0% | 2006 | 107184 | 2012 | Note the absolute emissions of the portfolio has increased over the period between the base year 2006 and the 2012 reporting year due to the increased size of the portfolio. Absolute efficiency gains have been offset by acquisitions and development. |
| 3.1a2 | Scope 1+2+3 | 100% | 0% | 2006 | 107184 | 2013 | Note the absolute emissions of the portfolio will increase over the period between the base year 2006 and the 2013 reporting year due to the increased size of the portfolio. Absolute efficiency gains have been offset by acquisitions and development. |
| 3.1a3 | Scope 1+2+3 | 100% | 0.1% | 2006 | 107184 | 2014 | In 2014 we expect to realise a decrease in absolute emissions against the base year despite the increased size of the portfolio. This target is internal and has been set for the benefit of having a KPI to track the operational performance of the assets. This is a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point will be 4 years into a 4 year rollout across the retail properties, which will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. With further rollout of the Operation Performance Strategy we expect the reduction target for 2014 to be increased in next year's reporting. |
| 3.1a4 | Scope 1+2+3 | 100% | 1.5% | 2006 | 107184 | 2015 | This absolute target is internal and has been set for the benefit of having a KPI to track the operational performance of the assets. This is a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. With further rollout of the Operation Performance Strategy we expect the absolute reduction target for 2015 to be increased in next year's reporting. |

3.1b

Please provide details of your intensity target

| ID | Scope | % of emissions in scope | % reduction from base year | Metric | Base year | Normalized base year emissions | Target year | Comment |
|-------|-------------|-------------------------|----------------------------|-------------------------------------|-----------|--------------------------------|-------------|--|
| 3.1b1 | Scope 1+2+3 | 100% | 12% | metric tonnes CO2e per square meter | 2006 | 0.116 | 2012 | This target is internal and was set for the benefit of having a KPI to track the operational performance of the assets. This was a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point was 2 years into a 4 year rollout across the retail properties, which will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. |
| 3.1b2 | Scope 1+2+3 | 100% | 11% | metric tonnes CO2e per square meter | 2006 | 0.116 | 2013 | This target is internal and has been set for the benefit of having a KPI to track the operational performance of the assets. This is a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point is 3 years into a 4 year rollout across the retail properties, which will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. |
| 3.1b3 | Scope 1+2+3 | 100% | 15% | metric tonnes CO2e per square meter | 2006 | 0.116 | 2014 | This target is internal and has been set for the benefit of having a KPI to track the operational performance of the assets. This is a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point will be 4 years into a 4 year rollout across the retail properties, which will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. With further rollout of the Operation Performance Strategy we expect the reduction target for 2014 to be increased in next year's reporting. |
| 3.1b4 | Scope 1+2+3 | 100% | 16% | metric tonnes CO2e per square meter | 2006 | 0.116 | 2015 | This target is internal and has been set for the benefit of having a KPI to track the operational performance of the assets. This is a hybrid target set from a combination of historical trends and projects based on "bottom up" forecasts. The Operational Performance Strategy at this point will enable the more detailed "bottom up" forecasts to be performed over the entire portfolio once it is fully deployed. With further rollout of the Operation Performance Strategy we expect the reduction target for 2015 to be increased in next year's reporting. |

3.1c

Please also indicate what change in absolute emissions this intensity target reflects

| ID | Direction of change anticipated in absolute Scope 1+2 emissions at target completion? | % change anticipated in absolute Scope 1+2 emissions | Direction of change anticipated in absolute Scope 3 emissions at target completion? | % change anticipated in absolute Scope 3 emissions | Comment |
|-------|---|--|---|--|---|
| 3.1b1 | Increase | 1.1 | Increase | 25.7 | The increase in absolute emissions is attributable to increased area of the portfolio following acquisitions and development since the base year. The CFX Operational Performance Strategy (OPS) at this point is 2 years into a 4 year rollout. This means that any reduction in emissions are, at this stage, coming from a very significant reduction at a small number of sites. The magnitude of portfolio reductions will increase significantly over the coming years as the OPS rollout continues. |
| 3.1b2 | Increase | 2.4 | Increase | 27 | The increase in absolute emissions is attributable to increased area of the portfolio following acquisitions and development since the base year. The CFX Operational Performance Strategy (OPS) at this point is 3 years into a 4 year rollout. This means that any reduction in emissions are, at this stage, coming from a very significant reduction at a small number of sites. The magnitude of portfolio reductions will increase significantly over the coming years as the OPS rollout continues. |
| 3.1b3 | Decrease | 2.3 | Increase | 20.4 | The increase in absolute emissions is attributable to increased area of the portfolio following acquisitions and development since the base year. The CFX Operational Performance Strategy (OPS) at this point is 4 years into a 4 year rollout, with only a limited number of site's having taken up projects identified in the strategy. This means that any reduction in emissions are, at this stage, coming from a very significant reduction at a small number of sites. The magnitude of portfolio reductions will increase significantly over the coming years as the OPS rollout continues. With further rollout of the Operation Performance Strategy we expect the reduction target for 2014 to be increased in next year's reporting. |
| 3.1b4 | Decrease | 3.7 | Increase | 18.5 | The increase in absolute emissions is attributable to increased area of the portfolio following acquisitions and development since the base year. The magnitude of portfolio reductions will increase significantly over the coming years as the OPS rollout continues. With further rollout of the Operation Performance Strategy we expect the reduction target for 2015 to be increased in next year's reporting. |

3.1d

Please provide details on your progress against this target made in the reporting year

| ID | % complete (time) | % complete (emissions) | Comment |
|-------|-------------------|------------------------|--|
| 3.1a1 | 100% | 100% | This absolute target is obscured by the increase in emissions that has resulted from an increase in the portfolio's total area. |
| 3.1b1 | 100% | 81% | This target was established as an intermediary to the full deployment of the Operational Performance Strategy across all of the retail assets. After the rollout finishes (FY13/14) and site level improvement schedules are developed across the whole portfolio, detailed (bottom up) and long term targets will be used as part of the operational process. So far the program has yielded NABERS ratings (performance benchmarking) across 21 of the total 30 assets and improvement plans for 18 of the assets. At 5 sites so far, we have been successful in securing federal government co-contributions to significant energy efficiency upgrades of the centres, and wholly owner funded projects are underway at the remaining properties. |
| 3.1a2 | 85.7% | 100% | This absolute target is obscured by the increase in emissions that has resulted from an increase in the portfolio's total area. |
| 3.1b2 | 85.7% | 90.7% | This target was established as an intermediary to the full deployment of the Operational Performance Strategy across all of the retail assets. After the rollout finishes (FY13/14) and site level improvement schedules are developed across the whole portfolio, detailed (bottom up) and long term targets will be used as part of the operational process. So far the program has yielded NABERS ratings (performance benchmarking) across 21 of the total 30 assets and improvement plans for 18 of the assets. At 5 sites so far, we have been successful in securing federal government co-contributions to significant energy efficiency upgrades of the centres, and wholly owner funded projects are underway at the remaining properties. |
| 3.1a3 | 75% | 0% | This absolute target is obscured by the increase in emissions that has resulted from an increase in the portfolio's total area. |
| 3.1b3 | 75% | 65.6% | This target was established as an intermediary to the full deployment of the Operational Performance Strategy across all of the retail assets. After the rollout finishes (FY13/14) and site level improvement schedules are developed across the whole portfolio, detailed (bottom up) and long term targets will be used as part of the operational process. So far the program has yielded NABERS ratings (performance benchmarking) across 21 of the total 30 assets and improvement plans for 18 of the assets. At 5 sites so far, we have been successful in securing federal government co-contributions to significant energy efficiency upgrades of the centres, and wholly owner funded projects are underway at the remaining properties. |
| 3.1a4 | 66.7% | 0% | This absolute target is obscured by the increase in emissions that has resulted from an increase in the portfolio's total area. |
| 3.1b4 | 66.7% | 60.7% | This target was established as an intermediary to the full deployment of the Operational Performance Strategy across all of the retail assets. After the rollout finishes (FY13/14) and site level improvement schedules are developed across the whole portfolio, detailed (bottom up) and long term targets will be used as part of the operational process. So far the program has yielded NABERS ratings (performance benchmarking) across 21 of the total 30 assets and improvement plans for 18 of the assets. At 5 sites so far, we have been successful in securing federal government co-contributions to significant energy efficiency upgrades of the centres, and wholly owner funded projects are underway at the remaining properties. |

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

How and Why?

i. The efficiency of our properties directly enables GHG emissions to be avoided by a third party. This includes the tenants in our buildings. The implementation of energy efficiency initiatives can deliver significant GHG reductions across whole building performance, CFX has implemented numerous technological projects that include the selection of energy-efficient HVAC, the use of low energy lighting, the optimisation of building management systems, and advanced integration and planning of energy efficiency and GHG avoidance opportunities for major building upgrades and developments.

An example of the GHG emission impact of a project can be demonstrated through a case study on Clifford Gardens Shopping Centre.

Our goal since 2006 has been to improve the overall efficiency of the building and recently to improve the NABERS Energy rating,

To do this we have:

- Used life cycle analysis on major capital items, and replaced plant and equipment where deemed suitably beneficial;
- Undertook full single line diagrams (SLD's) for Electrical, Gas and Water reticulation;
- Developed full sub-metering strategy from the SLD's;
- identified a number of minor capital works projects;
- 2 x low Load Chiller installations;
- Installation of 3 Variable Speed Drives onto AHU 1, 2 and 2A;
- Installation of 3 High Efficiency Supply Air Fan Motors;
- Reprogramming the control strategy for 23 Pac Units, 5 AHU, 48 Electric Duct Heaters;
- Chilled Water Balancing;
- Replace 3 major HVAC DX units to centralised chilled water; and
- Installation of energy meters and energy performance monitoring.

ii. Since 2006 baseline year the savings have been:

- Electricity – 676,284 kWh (down 30.1% since 2006) (which equates to \$114,968 in savings)

- GHG savings – 685,919 kgCO2

- The base building NABERS Energy rating is now 3.5 (3.75 decimal) stars.

The methodology used to measure these outcomes is undertaken through the extensive utility sub-metering, monitoring and analysis system that is installed throughout Clifford Gardens. All assets within CFX will have a similar building management system functionality which is referred to in the CFSGAM Operational Performance Strategy as the Asset Efficiency Program (AEP),

iii. The emission factors used were Elec. 1.01kgCO2/kWh. Electricity savings were based on current average 0.17c/kWh.

Supporting Programs.

CFX has developed Tenancy Design and Development Guidelines which allows both CFX and its tenants to improve the carbon performance of its assets while removing the barriers to energy efficiency. CFX is currently in the process of developing a methodology to quantify the GHG emissions avoided by its tenants due to the installation and ongoing management of energy efficiency initiatives, The development of this methodology will also take into consideration any existing and future opportunities to create carbon credits.

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

| Stage of development | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---------------------------|--------------------|--|
| Under investigation | 48 | 16055 |
| To be implemented* | 14 | 3019 |
| Implementation commenced* | 6 | 2664 |
| Implemented* | 11 | 5754 |
| Not to be implemented | 20 | 7891 |

3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

| Activity type | Description of activity | Estimated annual CO2e savings (metric tonnes CO2e) | Annual monetary savings (unit currency - as specified in Q0.4) | Investment required (unit currency - as specified in Q0.4) | Payback period |
|--------------------------------------|---|--|--|--|----------------|
| Energy efficiency: Building services | HVAC efficiency initiative at Clifford Gardens which included; - Installation of Variable Speed Drives; - Installation of High Efficiency Supply Air Fan Motors; - Reprogramming the control strategy; and - Chilled Water Balancing. This voluntary project aligns with target 3.1b4 and is principally targeting Scope 2 emissions. The initiative is anticipated to have a 15 - 20 year lifecycle. | 62 | 22000 | 182605 | 4-10 years |
| Energy efficiency: Building services | Lighting upgrade at DFO Moorabbin which included; - Replacement of 231 x 400w Existing Hi-Bay light fittings with 250w SRS Hi-Bay light fittings. This voluntary project aligns with target 3.1b4 and is principally targeting Scope 2 emissions. The initiative is anticipated to have a 10 -15 year lifecycle. | 254 | 33035 | 105712 | 1-3 years |
| Energy efficiency: Building services | Lighting upgrade at Forest Hill Chase which included; - Replacement of 544 x 70w PAR 30 Metal Halide lamps with 22w LED lamps. This voluntary project aligns with target 3.1b4 and is principally targeting Scope 2 emissions. The initiative is anticipated to have a 10 - 15 year lifecycle. | 68 | 37000 | 128868 | 1-3 years |
| Energy efficiency: Building services | Altona lighting improvements to install Occupancy Sensor to Control Lighting in Compactor Area and Upper Level Fire Corridor. This voluntary project aligns with target 3.1b4 and is principally targeting Scope 2 emissions. The initiative is anticipated to have a 10 - 15 year lifecycle. | 3.63 | 600 | 2500 | 4-10 years |
| Energy efficiency: Building services | Installation of Balltech chiller clean technology at Chatswood Chase Shopping Centre. This voluntary project aligns with target 3.1b4 and is principally targeting Scope 2 emissions. The initiative is anticipated to have a 15 - 20 year lifecycle. | 105 | 18000 | 52000 | 1-3 years |

3.3c

What methods do you use to drive investment in emissions reduction activities?

| Method | Comment |
|---|---|
| Employee engagement | Energy reduction targets. Each year an indicative energy reduction performance target is set for each site in collaboration with the site operations teams. Gradually we are also introducing NABERS Energy reduction targets, and these targets will eventually cover all assets. |
| Compliance with regulatory requirements/standards | Energy Efficiency Opportunities Act (EEO). CFX has implemented a program to comply with the Australian Government's EEO legislation. This requires assessment and public reporting of energy efficiency opportunities available within the portfolio. The implementation of the Operational Performance Strategy satisfies all EEO obligations. |
| Internal incentives/recognition programs | Energy reduction targets (and where in place, NABERS Targets). As part of the Operational Performance Strategy, each year a bottom up analysis of the portfolio is conducted to forecast the improvement in energy reduction performance at each asset. From this baseline a portfolio wide target is calculated and multi-site programs are developed to further drive improvement in the targets. The absolute portfolio target is calculated and publicly committed to in the annual report. The site teams are assessed against these targets as part of their performance reviews. |
| Financial optimization calculations | Sustainability Improvement Plans (SAP). As part of the Operational Performance Strategy, every 3 years action plans for improving the operational efficiency performance of each asset are developed by an external consultant. These plans provide a suite of potential projects (with completed cost benefit analysis) that are assessed for inclusion in the forward budgets in the following year. The consultant progressively reviews the implementation of each project to ensure that it meets the requirements to deliver the maximum potential savings. |

3.3d

If you do not have any emissions reduction initiatives, please explain why not

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/CFSGAM Case study DFO Moorabbin - HiBay Lighting.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/CFSGAM%20Case%20study%20DFO%20Moorabbin%20-%20HiBay%20Lighting.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/CFSGAM Sustainability Case Study - Grand Plaza Chiller.doc](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/CFSGAM%20Sustainability%20Case%20Study%20-%20Grand%20Plaza%20Chiller.doc)

Page: 4. Communication

4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

| Publication | Page/Section reference | Attach the document |
|--|------------------------|---|
| In mainstream financial reports (complete) | 22 -31. | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation1/CFX 2012 Annual Report.pdf |
| In other regulatory filings (complete) | page 11, slide 22. | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation2/120821 CFX Jun results preso, FINAL .pdf |
| In other regulatory filings (complete) | page 10, slide 20. | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation3/130221 CFXinterimresultspres[1].pdf |
| In voluntary communications (complete) | page 9, slide 17. | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation4/120528 CFX UHM preso Final[1].pdf |
| In voluntary communications (complete) | whole page | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation5/121107 CFX CDP FINAL[1].pdf |
| In voluntary communications (complete) | page 9, slide 9. | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation6/120604 - Asia roadshow presentation FINAL.pdf |
| In voluntary communications (complete) | slide 16 and 33 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation7/120116 CFX Asia investor roadshow Final.pdf |
| In voluntary communications (complete) | slide 24 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation8/121121 CFX Euro roadshow preso Final.pdf |

Module: Risks and Opportunities [Investor]

Page: 5. Climate Change Risks

5.1

Have you identified any climate change risks (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

5.1a

Please describe your risks driven by changes in regulation

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|--|---|----------------------------|-----------|-------------------------|-------------------|---------------------|
| 5.1a1 | Uncertainty surrounding new regulation | Uncertainty relates to the potential impact of the proposed retail mandatory disclosure on CFX shopping centre assets, which the Federal Government has indicated it intends to introduce post 2014. It is proposed to be based on NABERS ratings for retail centres. | Increased operational cost | 1-5 years | Direct | Very likely | Low-medium |
| 5.1a2 | Emission reporting obligations | Emission reporting obligations which CFX is currently required to participate include: •National Greenhouse and Energy Reporting Act (2007); •The Energy Efficiency Opportunities Act (2006); •State based Environmental schemes. | Increased operational cost | Current | Direct | Virtually certain | Low-medium |
| 5.1a3 | Cap and trade schemes | The Australian Government has currently implemented a carbon pricing mechanism, which is effectively a cap and trade scheme (although it is sometimes referred to as a carbon tax). This legislation is in place and has been in effect from 1 July 2012 and is currently having a minimal direct impact on CFX, however will have an indirect effect on the economy, the extent of which is still to be determined, in regard to spending patterns of customers. | Increased operational cost | 1-5 years | Indirect (Supply chain) | Likely | Low |

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|---|---|------------------------|-----------|------------------|------------|---------------------|
| 5.1a4 | General environmental regulations, including planning | Changes to general environmental regulations will have a direct impact on CFX. There is a potential for increased environmental regulation as a result of the "Clean Energy Future" suite of regulation by the Federal government which will result in increased costs for development DA's as well as a potential requirement to review adaptation and land use as well as resilience. This will be in the form of more stringent Environmental Management Plans as well as the proposed updates in legislation from the current review of the "environmental Protection and Biodiversity Conservation Act" and the proposed National Wildlife Corridors plans. Additionally the productivity commission is currently looking into ways to reduce emissions and increase efficiency, and one potential outcome is a more stringent Building Code of Australia (BCA). | Increased capital cost | 1-5 years | Direct | Likely | Low-medium |

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk and (iii) the costs associated with these actions

(i) The potential financial implications of the risk before taking action;

5.1a1 Uncertainty relates to the potential impact of NABERS mandatory disclosure on CFX shopping centre assets, which the Federal Government has indicated it intends to introduce sometime after 2014. This could have the following impacts: 1. Some increase in the compliance and reporting costs, and 2. Potential impacts on retailer lease negotiations. The financial impacts on the trust are expected to be limited, given each centre is NABERS Energy and Water rated and we already have well established and extensive data collection which is reported on regularly. The cost of having the portfolio NABERS rated each year is around \$394k.

5.1a2 Emission reporting obligations which CFX is currently required to participate include: •National Greenhouse and Energy Reporting Act (2007); •The Energy Efficiency Opportunities Act (2006); •State based Environmental schemes. All of these add complexity and cost to the business, with the following identified as specific risks:

1. Failure to report or accurately report data

2. Failure to undertake mandatory projects

3. Increased costs of data management and reporting.

Failure to comply with the identified risks listed above could result in substantial financial, reputational and in some cases criminal penalties being applied to CFX. Examples of these are listed below; EEO - maximum penalty of AUD\$110,000 and potential criminal proceedings, NGERS - maximum penalty of AUD\$220,000 and potential criminal proceedings.

5.1a3 The carbon price has driven up the cost of electricity, water and waste (disposal) over the short term. Some of this will be borne by owners, and some by tenants. A carbon price is likely to have far reaching impacts across the Australian economy, many of which are uncertain at this stage. Our initial modelling shows that the short-term downward impact on property values is likely to be minor (less than 1% of value for a \$23/tonne carbon price). For example, a 20% increase in electricity costs would translate in a cost of \$3.4 million.

5.1a4 The future financial impacts on the Trust have not been clearly established as the full effects of the recent Clean Energy Future Legislation have not been completely introduced. It is expected that financial impacts will vary depending on the scale of the development and its physical location.

(ii) The methods you are using to manage this risk and

5.1a1 The methods used to manage this risk include improving the monitoring of energy use in our portfolio and undertaking NABERS ratings of our assets. During the previous year the Trust undertook accredited assessments of 12 Shopping Centres in the portfolio and is currently undertaking accredited assessments (NABERS Energy and Water ratings) on 24 assets, these include; - Grand Plaza, Brimbank, Altona, Chadstone, Chatswood, Rosebud Plaza, Queens Plaza, Myer Centre Brisbane, Elizabeth, Runaway Bay, Bowes St, Clifford Gardens, DFO South Wharf, Rockingham, Forest Hill Chase, Corio, Eastlands, Northgate, Lake Haven, Roxburgh Park, Bayside, Broadmeadows, Castle Plaza and Northland.

5.1a2 To manage this risk, it is important to collect and report the information under the relevant regulations. CFX has been collecting energy and water data from its assets for over 6 years and in more recent year's data on waste. We also have a dedicated team of sustainability professionals to assist in the collation and reporting of the data. CFX provides regular updates on its performance not only to the relevant authorities but also through its annual CDP submissions and its annual report.

5.1a3 Our method to manage this risk is by making our assets more efficient. Across the CFX portfolio we introduced level 3 energy management plans at all centres with the FY12 NABERS assessed centres also being evaluated under our NABERS Improvement Plan process which has identified and driven initiatives across the portfolio. We have also set energy consumption targets since FY11 financial years. Examples of initiatives we have undertaken include: painting the roof of Altona Gate with solar reflective paint, and testing Building Envelope leakage at Corio, Variable speed drives (VSD) installations on car park fans at Chatswood Chase and Broadmeadows, lighting optimisation at Myer Centre Brisbane, Mall lighting upgrade at DFO Moorabbin, (copies of case studies for Chatswood, MCB and DFO Moorabbin attached)

5.1a4 The Trust currently manages this risk through its (re)development due diligence and feasibility process, In addition, all CFX assets now have a NABERS rating and NABERS improvement plan, which will help to future proof our assets against tighter legislation in the future.

(iii) The costs associated with these actions

5.1a1 CFX has implemented a programmed performance rating (NABERS) process with costs estimated at around \$394K annually for management for all CFX properties, and once fully implemented (by the end of FY13) in-line with the proposed future introduction of Mandatory Disclosure.

5.1a2 CFX utilises a data management system established through a third party contract to ensure accuracy of data for legislative reporting with the establishment cost of approximately AUD\$54,000 (4 years ago) with on-going costs of approximately \$104,000 p.a.

5.1a3 These cost of these initiatives are: \$45k Altona Gate, \$10k Corio, \$24.5k Broadmeadows, \$158k Chatswood, \$70k Myer Centre Brisbane, \$105k DFO Homebush. Other, more general initiatives that have introduced across the portfolio have not been a material addition to standard capex for the centres or have been introduced and undertaken where they have a relatively short return on investment period.

5.1a4 The cost to undertake due diligence as part of the (re)development of these assets was not considered material relative to overall developments costs. The annual cost to have NABERs assessments undertaken is around \$394k across the portfolio.

5.1c

Please describe your risks that are driven by change in physical climate parameters

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|---------------------------------|--|---|------------|---------------------|------------|------------------------|
| 5.1c1 | Other physical climate drivers | The frequency of extreme weather events such as droughts, flooding, dust storms, heat waves, extreme cold and tropical cyclones is predicted to increase due to climate change, and therefore affect the operating conditions for shopping centres. | Other: Several impacts including: increased insurance costs, potential disruption to business, reduction in productive capacity | 6-10 years | Direct | Likely | Medium |
| 5.1c2 | Change in precipitation pattern | Predicted changes in regional precipitation patterns due to climate change can lead to increased levels of water restrictions and higher associated energy and water supply costs. These increased operating costs unless able to be passed onto tenants, affect the profitability of the centres and value. | Increased operational cost | 1-5 years | Direct | Likely | Low-medium |
| 5.1c3 | Change in temperature extremes | Changes to extremes in temperatures is likely to put excess demand on the HVAC requirements of our assets | Increased operational cost | 6-10 years | Direct | Likely | Medium |

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

(i) The potential financial implications of the risk before taking action;

5.1c1: 1. Possible damage to building fabric requiring costly repairs or replacement; 2. Increase in insurance premiums; 3. Disruption to property operations and customer traffic; 4. Increased energy and water consumption if not mitigated. Extreme weather events such as the 2011 Brisbane Floods, inflicted general property damage and disruption to the operations of CFX centres across affected areas in QLD. Financial impact can be difficult to forecast as it depends on the nature and intensity of the event, however the 2011 events in QLD alone resulted in over AUD\$2 million in repairs and rectification costs. For example recent damage to property at Brimbank, Broadmeadows, and DFO Essendon in the hail storms of 25 December 2011 resulted in flood damage to tenancies, impact damage to glass panels and air-conditioning units. This damage was assessed to be over \$1.3million. If Insurance premiums were to increase by 10%, that would cost CFX an additional \$311k.

5.1c2 Prior to taking action this risk could result in greater water scarcity and as a result higher costs of water use. For example, if our cost of water use went up by 20% this would result in an additional \$1.2 million cost to CFX and its retailers, since some of this cost would be borne by tenants.

5.1c3 If plant is unable to operate as designed due to temperature extremes, CFX may not be able to maintain adequate levels of tenant comfort leading to loss of rent. Electricity availability - Higher temperatures and prolonged periods of high temperatures will place pressure on energy demand which may cause electricity retailers to either have power failures or outages. Potential financial impacts as a result of this identified risk, for example a 10% increase in energy cost at a CFX property such as Forest Hill Chase would equate to an estimated increase of \$83,000.

(ii) The methods you are using to manage this risk; and

5.1c1 This risk can be addressed by strictly monitoring and improving our insurance cover, to ensure cover for increased physical risks due to climate change. To address these risks we have quarterly risk management meetings between the operational teams, risk and compliance personnel. External risk management advisers address our approach to risks at our assets (including physical risks) and the appropriateness of our risk program and insurance coverage. We also focus on improving the operational performance and undertake initiatives to mitigate as much risk as possible. For new developments we comply with environmental planning laws regarding the location and design of our assets appropriate to the environmental risks prevalent. For newly acquired assets we undertake a review of the sustainability credentials of the new assets (refer to the attached Sustainability Due Diligence (DD) for the acquisition of Homebush DFO). An example of how we monitor the appropriateness of our insurance was to undertake a review after the Queensland floods in January 2011 of all of our insurance policies to ensure that our level of cover is appropriate (and it is).

5.1c2 Increasing water scarcity can be addressed by minimising our water consumption. We continue to reduce water consumption of our assets to prepare for times of water scarcity (and offset the impact of rising water costs). As part of our recently completed developments (at Rockingham, Chadstone, Chatswood Chase and Northland) we have introduced water efficiency measures such as water harvesting and introducing water efficient fixtures and fittings (including waterless urinals). Myer Melbourne department store, completed in December 2010, was built to a high standard of environmental performance (refer attached), including built to a 4 star WELs rating and is estimated to have a 15% saving per annum in water usage compared to prior to the development. More examples of water efficiency include the introduction of a waterless wok system at a retailer at Corio (this has also been trialled at a number of sites), As part of our extensive FY2012 amenities upgrade programs we have replaced all fixtures such as toilets with efficient Dual Flush systems and low water and waterless urinals, tap-ware is also a minimum specification WELS 4 star (refer attached DFO Moorabbin Specification).

5.1c3 To mitigate this risk, the Trust needs to improve the overall energy efficiency of its assets as well reduce its overall consumption. CFX has implemented an Operational Performance Strategy along with other physical efficiency monitoring, management and educational tools to improve the overall efficiency of its portfolio. Building Management Software (Plantpro) has also been utilised to provide monitoring functionality at CFX assets which has notably assisted in identifying Chiller plant issues at Corio which resolved is estimated to have avoided in excess of \$60K in additional energy costs (refer attached). CFX has also targeted reduction in energy use since FY11, while also undertaking a number of initiatives to reduce overall portfolio consumption. Key projects completed in 2012 involved major works through the Green Building Fund (GBF) grants at Myer

Centre Brisbane, Queens Plaza, Grand Plaza and Clifford Gardens. These works include the installation of better Building Management System controls, VSDs on pumps and fans and the upgrade of chillers. The installation of Balltech Chiller Condenser cleaning technology and VSDs on car park fans at Chatswood Chase.

(iii) The costs associated with these actions

5.1c1 During 2012, while there were a number of extreme weather events globally we experienced no material increase in insurance costs; however there is the expectation that insurers will want to recuperate their losses through increased premiums. In 2012, insurance premiums for our shopping centres remained stable on 2011. As such, this year there was no perceivable increase in electricity costs related to climate change. In fact this is an endorsement to the strength of our risk management practices at our assets. As a conservative measure we have a budget of a 5% increase in insurance premiums for next year. For the development of new assets we require our assets to have a 5 star Green star rating in order to mitigate the potential physical risks. The cost to have these 5 star ratings varies across projects but a rule of thumb is around 5% average additional cost to secure these virtually essential ratings for new buildings.

5.1c2 The cost to undertake water efficiency sustainability initiatives as part of the (re)development of these assets was not considered material relative to overall developments costs. The cost to install a similar waterless wok system (at 385 Burke St) was \$20,280, at Post Office Square, the cost of recent upgraded dual flush toilets was \$25,000 and the urinals was \$8,000.

5.1c3 The cost of the GBF projects total \$845K contribution from CFX. Chatswood Chase Balltech project totaled \$52K and the VSD installation \$158K. The CFX national management team head office emissions have been excluded. The operations of this part of the business are not subject to the same local legislated emissions disclosure requirements (EEO act) as the rest of the operations of the business. The staff within this space are employees of Commonwealth Bank of Australia and not of CFX; as such emissions are applicable to that organisation and not CFX. The Scope 2 emissions are also deemed to be immaterial to the overall emissions of CFX.

5.1e

Please describe your risks that are driven by changes in other climate-related developments

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|---|--|--|-----------|---------------------|----------------------|------------------------|
| 5.1e1 | Induced changes in human and cultural environment | Changes to demographics could result and need to be studied and factored into long term planning for CFX's assets. CFX's assets that are located in low lying coastal areas could be impacted by reduced trade area through rising sea levels. | Other: Could be a broad range of impacts which are difficult to quantify, but could include reduced market penetration for our centres and visa versa. | >10 years | Direct | More likely than not | Medium |

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|-------------|---|--|-----------|---------------------|------------|------------------------|
| 5.1e2 | Reputation | <p>Management of reputational risks is becoming increasingly critical for CFX as increased focus on climate change issues occurs. Several large Global pension funds are using sustainability as a key criterion when selecting property trust investments such as CFX; a trend which is becoming increasingly pertinent to investment funds (particularly pension funds that have a particular interest/ responsibility in long-term investment) across the world. An impact on CFX's reputation could translate into rising costs of debt and equity, and the reduced ability to retain key staff members. An example of the effect reputational risk would have on CFX would be a decrease in the Trust's share price (through investors selling their units) or through increases in the cost of debt. At this point in time, a minority of investors are focused on our approach to sustainability, but there are a few large investors who are now showing signs of becoming more active in their investigations into these risks. A poor reputation can lead to a lack of investor confidence, put downward pressure on the share price, and make it difficult (and costly) to raise debt and equity which is a normal part of managing a listed property trust. This would mean that we would lose a competitive edge and would have a reduced number of opportunities for investment (which is material but difficult to quantify in terms of the impact on the growth of the trust) as well as some indirect impacts such as rising cost of debt (through low investor confidence), the inability to keep good staff, thus damaging the Trusts potential performance going forward.</p> | Reduced stock price (market valuation) | Current | Direct | Likely | Medium-high |

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

(i) The potential financial implications of the risk before taking action;

5.1e1 The potential financial implications could be the loss of our target market, or alternately an increase, both effects could have major implications if not managed, in firstly, a reduced service offering to a reduced client base served by the shopping centres tenant trade issues, or alternatively overcrowding and inability to cope with the increased demand. In areas like Runaway Bay Shopping Village which is in a coastal region in South East QLD, its trade area could start to be impacted by rising sea-levels over the next 50 years. A 10% drop in retail trade, could ultimately translate into a 10% drop in rental income (as leases expire over time). Net property income to CFX for FY12 was \$8.3 million, so a 10% fall could translate into \$850k cost to the fund. This is not forecast in the short or medium-term, but we are mindful of the longer term threat over the next 20-50 years.

5.1e2 The reputation impact of not addressing climate change would have a considerable impact on CFX. It could lead to a decrease in the CFXs share price (through investors selling their units) or through increases in the cost of debt. At this point in time, a minority of investors are focused on our approach to sustainability, but there are a few large investors who are now showing signs of becoming more active in their investigations into these risks. A poor reputation can lead to a lack of investor confidence, put downward pressure on the share price, and make it difficult (and costly) to raise debt and equity which is a normal part of managing a listed property trust. This would mean that we would lose a competitive edge and would have a reduced number of opportunities for investment (which is material but difficult to quantify in terms of the impact on the growth of the fund) as well as some indirect impacts such as rising cost of debt (through low investor confidence), the inability to keep good staff damaging CFX's potential performance going forward. For example if CFX wanted to raise \$200m and its unit price fell 10% due to a poor sustainability reputation, then it would have to issue more units to raise \$200m. Assuming an annual distribution of 13.6 cents, an initial trading price of \$2.20, then a 10% fall in price would cost an extra \$1.4 million in dividend (in year one, and potentially more in the future).

In terms of our debt costs, if our reputation was damaged by our poor sustainability credentials to the extent of downgrade in our debt ratings (which could potentially happen in future years as debt rating agencies start to introduce sustainability as a meaningful risk to companies debt covenants) the impact of a downgrade in CFXs debt rating by one notch could cost the company in the order of 15 to 20 basis points of additional debt cost. At 31 December 2012, CFX had total borrowing of \$2.38 billion and 15-20 bps totals around \$4.2 million. Indeed, one sell-side broker (Credit Suisse – see CS - Limited catalysts, fully priced) is already using an ESG component in their valuation of the fund, so if we have a significant movement in our reputation towards sustainability, then this would impact on this broker's valuation of CFX.

(ii) The methods you are using to manage this risk;

5.1e1 The on-going monitoring of the catchment area for our centres in terms of demand and trends changing, via surveys to the community, the tenants turnover and trade will also be monitored. Monitoring sea-level rise is on the radar of our Risk Management Committee, but is not something that changes materially on a quarterly basis. One approach we are taking is under our "Climate Adaptation and Resilience Strategy". CFX will start a structured approach to climate adaptation this year, doing a high level assessment, and then drilling down to the highest risk property and undertaking a formal review.

5.1e2 We address this risk, by improving the efficiency of our assets, by reporting on our achievements that are recognised in international surveys and then reporting this information regularly to our investors. To manage our reputation risk in addition to undertaking to improve the efficiency of

our portfolio, we continue to report (to our debt and equity investors) on our achievements through reporting to FTSE4Good (since 2001), DJSI (since 2004), Australian SAM Index (since 2005), EREI (now GRESB since 2009) and CDP since 2006. We also do voluntary investor surveys through researchers such as Sustainalytics and Trucost and PRI questionnaires. We report on sustainability every six months as part of our statutory reporting including a full review of our sustainability achievements (and review of commitments) in our annual report. In addition we also hold regular one on one meetings with sell side analysts and buy-side institutional investors (both domestic and international). Attached are 2 copies of a PRI surveys from investors that we responded to this year. (Surveys attached: 121102 CPPIB PRI questionnaire and 121121 ESG information for CFX and CPA)

(iii) The costs associated with these actions

5.1e1 The costs in monitoring will not be large, as this active management and monitoring is business as usual in shopping centres and their catchments, so effectively at \$0 in year one. In terms of our “Climate Change and Adaptation Strategy”, adaptation can be costly over the total portfolio that is why we will be addressing the overview, and detailed examination of one asset. We believe this investigation will cost in the region of \$20k in FY14.

5.1e2 The cost of mitigating our reputation risk is in the form of three professional sustainability personnel across the entire CFSGAM suite of property funds, but also additional working hours of other staff in the business to report on our sustainability achievements as well as a number of consultancy firms used for advisory and consulting. The additional human capital the cost is estimated at around \$650,000 per year across the CFSGAM suite of funds. . In terms of our debt costs, if our reputation was spoiled by our poor sustainability credentials to the extent of downgrade in our debt ratings (which could potentially happen in future years as debt rating agencies start to introduce sustainability as a meaningful risk to companies debt covenants) the impact of a downgrade in CFX’s debt rating by one notch could cost the company in the order of 15 to 20 basis points of additional debt cost.

5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/121102 CPIB PRI questionnaire, Final.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/121102%20CPIB%20PRI%20questionnaire,%20Final.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CS - Limited catalysts, fully priced.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CS%20-%20Limited%20catalysts,%20fully%20priced.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CFSGAM Sustainability Case Study - MCB Carpark Lighting.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CFSGAM%20Sustainability%20Case%20Study%20-%20MCB%20Carpark%20Lighting.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Sustainability DD Homebush.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Sustainability%20DD%20Homebush.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Case Study Corio PlantPro.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Case%20Study%20Corio%20PlantPro.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/121121 ESG information for CFX and CPA.msg](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/121121%20ESG%20information%20for%20CFX%20and%20CPA.msg)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CFSGAM Case study DFO Moorabbin - HiBay Lighting.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CFSGAM%20Case%20study%20DFO%20Moorabbin%20-%20HiBay%20Lighting.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CAR_TB01500_Fixtures Fittings Appliances Schedule_Amenities_Generic.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/CAR_TB01500_Fixtures%20Fittings%20Appliances%20Schedule%20Amenities%20Generic.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Chatswood Case - Case Study - Carpark Ventilation - 2012.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/5.ClimateChangeRisks/Chatswood%20Case%20-%20Case%20Study%20-%20Carpark%20Ventilation%20-%202012.pdf)

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
 Opportunities driven by changes in physical climate parameters
 Opportunities driven by changes in other climate-related developments

6.1a

Please describe your opportunities that are driven by changes in regulation

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact |
|-------|--|--|---------------------------|-----------|-----------------|----------------------|---------------------|
| 6.1a1 | Product efficiency regulations and standards | CFX's focus of energy and water efficiency and improved waste reduction causes changes in management approach and therefore translates into reduced operating costs. CFX recognises the opportunities that arise through improved efficiency standards for building design and operational management, being lower cost of outgoings, and therefore higher value of the properties (with rental income static) through stronger valuations of buildings. | Reduced operational costs | Current | Direct | Very likely | Medium |
| 6.1a2 | Voluntary agreements | By voluntarily improving efficiency performance in utilities and waste across the CFX Portfolio we may become eligible for funding under government incentive programmes such as Low Carbon Australia and Energy Upgrade Agreements. | Reduced capital costs | Current | Direct | More likely than not | Low-medium |

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

(i) The potential financial implications of the opportunity:

6.1a1: the development of streamlined reporting practices for managing emission reporting obligations ensures that CFX maintains the ability to capture and manage data in an accurate and timely manner with the least number of staff or amount of financial burden. Having high quality reporting prior to wide-spread mandatory reporting requirements, means that systems are in place to deal with a range of potential reporting

requirements (as seen in office). This is saving the vast cost and time involved in future compliance requirements. In addition, there is the opportunity to engage and develop highly efficient and alternative technologies with stakeholders. Development of these technologies has the potential to create additional income streams and savings at CFX properties. If we were able to introduce greater energy saving measures and save 20% off our electricity costs this could translate into a saving of \$3.4 million per annum (to CFX and retailers).

6.1a2: Availability of Federal, State and Local Government grants. These grants can assist in providing a better cost benefit assessment to projects, and improve achievement of emission reduction targets as well as improve CFX's relationship with Government. Some financial implications may require operational or capital funding; others may just need management and process change. The financial benefits however could be: • Reduced operating costs, therefore higher income and value creation • Availability for eligibility for government funding and subsidies, therefore reducing capital requirements. Again, if we could trial initiatives that saved electricity costs by 20% this would translate in a \$3.4 million saving (to CFX and retailers).

(ii) The methods you are using to manage this opportunity:

6.1a1: Management of this opportunity is about making the CFX assets as efficient as possible. CFX has in place Sustainability Implementation Plans (SIP) for individual properties. Across all assets in the CFX portfolio we have level 3 energy management plans in place and a target to reduce overall energy consumption during 2013 and 2014. Several properties that are undertaking accredited NABERS assessments during FY13 have also developed fully detailed NABERS Improvement Plans that will target the full range of effective Operational and Capital efficiency improvements (refer attached summary of improvements). Generally across the board where a sustainability initiative has a short to medium term payback or less we are undertaking them. An example of which is installation of voltage optimisation units in the Myer Centre Brisbane car park (case study attached) which had a simple payback of less than 2 years. Bigger picture however more energy efficient assets could translate into lower outgoings which from a valuation perspective, could translate into higher valuations (then would otherwise be the case had no action been taken). In addition, changes to CFX's regulatory reporting requirements have been the catalyst for the adoption of Just-In-Time monitoring on several CFX waste compactors ensuring that efficient waste management practices could be adopted, reducing transport costs and ensuring waste data collection of compactor weights. Being proactive about climate change is one way CFX identifies to retain or enhance the value of the portfolio. In addition, reduction of outgoings through more efficient water, energy and waste management techniques can potentially flow through to CFX's returns. To the extent that outgoings can potentially fall, tenants are able to pay a higher net rent and be no worse off as occupancy cost remains the same.

6.1a2: Sustainability Funds (incorporating water, waste and energy) exist nationally at State and local government level, these funds can be utilised to subsidise significant capital investment by CFX. To date funding has been limited for shopping centre assets, although with current government focus on energy efficiency, we are managing this by working with various local, state and federal government departments and funding vehicles. For example we had discussions with Low Carbon Australia to work on innovative funding methods to ensure further implementation of energy efficiency initiatives across CFX properties. CFX is also investigating the NSW state government's Environmental Upgrade Agreements as another potential capital funding method for energy efficiency projects. Another example of opportunities in this area relates to the successful Green Building Fund Round 7 grants which have assisted in co-fund over \$1.4 million in energy efficiency projects at several CFX properties.

(iii) The costs associated with these actions:

6.1a1: Indicatively the costs associated with undertaking projects like the installation of voltage optimisation units (at Myer Centre Brisbane) are circa \$70k with savings of around \$44k per annum. In addition, CFX may incur cost associated with the planning and Implementation of opportunities it identifies in the short term future, however it anticipates that recovery of cost would be derived over time from asset efficiencies. Finally, the annual cost to have NABERS assessments undertaken is around \$394k across the portfolio.

6.1a2: Typical costs associated with the preparation of funding applications can be approximately \$4,000 per application.

6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|--------------------------------------|---|---------------------------|------------|------------------|------------|---------------------|
| 6.1c1 | Change in precipitation pattern | Predicted changes in regional precipitation patterns due to climate change can lead to increased levels of water restrictions and higher associated energy and water supply costs. Having a lower dependency on natural resources the opportunity for CFX is to be better prepared for periods of water scarcity. | Reduced operational costs | 6-10 years | Direct | Likely | Low-medium |
| 6.1c2 | Other physical climate opportunities | The frequency of extreme weather events such as droughts, flooding, dust storms, heat waves and tropical cyclones is predicted to increase due to climate change, and therefore affect the operating conditions for shopping centres. The opportunity for CFX is to have stronger risk management processes and risk mitigation practices in place leading to lower insurance premiums. | Reduced operational costs | >10 years | Direct | Likely | Low-medium |
| 6.1c3 | Change in temperature extremes | Changes to extremes in temperatures are likely to put excess demand on the HVAC requirements of our assets. The opportunity is to have more efficient assets which minimises the increase in electricity cost. | Reduced operational costs | >10 years | Direct | Likely | Medium |

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

(i) The potential financial implications of the opportunity:

6.1c1 The financial implications involve the installation of equipment to ensure water efficiency and security to reduce overall consumption and the effects from potential resource efficiency (in this case- water restriction). To manage this opportunity, we have water management plans at each of our assets which outline a number of initiatives that can be undertaken to reduce water use most notably in FY12 major amenities upgrade projects at several CFX assets. More broadly, the potential implication of being able to secure water at our shopping centres could result in a significant

impact on the visitation of customers (especially if there are other centres in our catchment area that cannot secure water all year round). An example of this opportunity is harvesting rainwater for reuse in public amenities (refer uploaded attachment) this has led to cost savings \$2,000 p.a.

6.1c2: Having more efficient shopping centres with better environmental and risk management practices, will make our insurance premiums lower, a 10% fall in insurance premiums would result in approximately \$310k saved by the fund per annum.

6.1c3: The financial implications include the opportunity to improve property building fabric to minimise damage from extreme weather events, in new developments and in retrofits and refurbishments. This includes the installation of efficiency equipment to reduce overall resource consumption at CFX properties. The opportunity to save on electricity costs would amount to around \$3.4 million if a 20% reduction in costs could be achieved.

(ii) The methods you are using to manage this opportunity and

6.1c1: This opportunity is managed at an asset level through the introduction of Sustainability Implementation Plans. These plans pull together initiatives derived from the assets various management plans (water, energy and waste) in order to identify, evaluate and monitor site specific efficiency opportunities. Other initiatives include the upgrade of 15 amenities blocks across CFX centres which include the installation of high water efficient fixtures such as timed tap-ware, dual flush toilets and waterless urinals.

6.1c2: The opportunity here is to have more rigorous risk management processes and more efficient buildings to minimise insurance premiums whilst maintaining an appropriately high level of cover. For CFX, addressing this opportunity means making our assets more efficient, while also having in place a rigorous risk management framework, and ultimately negotiating competitive insurance premiums. We have quarterly risk management meetings between the operational teams, risk and compliance personnel, external risk management advisers to address our approach to risks at our assets (including physical risks) and the appropriateness of our insurance coverage. For new developments we comply with environmental planning laws regarding the location and design of our assets appropriate to the environmental risks prevalent. An example of how we monitor the appropriateness of our insurance was to undertake a review after the Queensland floods in January 2011 of all of our insurance policies to ensure that our level of cover is appropriate (and it is).

6.1c3: The following actions have been undertaken or planned by CFX to manage potential opportunities; 1. CFX has established individual property Sustainability Implementation Plans to capture, manage and monitor all potential opportunities. 2. Addressing climate change currently provides opportunities on new developments and on existing centres. CFX has already recognised this as an opportunity as it targets a 5-star green star rating (Green Building Council of Australia) on new projects. CFX used the NABERS shopping centre tool to have accredited ratings across 12 of its assets during FY12 and is having 24 properties rated by June 2013. In addition to this CFX development projects are also subject to a design brief and lifecycle cost analysis that considers environmentally sustainable design (refer to attached Myer Emporium Design Brief report) elements and equipment selection to maximise financial outcomes and address foreseeable climate change risks.

(iii) The costs associated with these actions

6.1c1: The cost of the Grand Plaza initiative was \$40k. The cost to upgrade amenities is approximately \$5 million with water saving impacts expected to be significant.

6.1c2: The cost of keeping our processes rigorous involves the employment of risk management advisers for a fee of \$315,000 per year (across all retail and office properties in CFSGAM). This is unchanged from the 2011 financial year. The cost of our insurance per annum is approximately \$9.8 million across all properties in CFSGAM, this is up from \$9.6 million last year, an increase of \$0.2 million or around 2%. We forecast to increase by 2% to 5% next year. If our rigorous risk management can save 5% off premiums this would translate in savings of \$0.5 million across CFSGAM. This is a very difficult figure to estimate and is highly theoretical but this example represents the potential benefit we could obtain.

6.1c3: Costs associated with undertaking accredited NABERS ratings have been approximately \$32,500, while incorporating sustainability measures into our redevelopments is not a material addition to cost or difficult to segregate. In addition, the costs associated with undertaking

projects like the installation of voltage optimisation units (at Myer Centre Brisbane) are circa \$70k with savings of around \$44k per annum.

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|-------|--|--|---|-----------|------------------|------------|---------------------|
| 6.1e1 | Induced changes in human and cultural environments | Changes to demographics as a result of climate related developments can have direct impacts on CFX. In the case of extreme hot and cold weather, shopping centres are seen as a place of refuge. If this becomes more frequent, it could translate into more visitation and more sales. | Increased demand for existing products/services | Unknown | Direct | Likely | Low-medium |
| 6.1e2 | Reputation | Management of reputational opportunities for CFX is becoming increasingly critical as increased focus on climate change issues. In addition, several large Global pension funds are using sustainability as a key criterion when selecting property trust investments; a trend which is becoming increasingly pertinent to investment funds (particularly pension funds that have a particular interest/ responsibility in long-term investment) across the world. | Increased stock price (market valuation) | 1-5 years | Direct | Likely | Medium-high |

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

(i) The potential financial implications of the opportunity;

6.1e1: Potential increase in population in trade catchment areas, and also weather induced changes to consumer patterns, mean more visitors and more spend. This in turn would relate to more income for CFX as the increase in shoppers will ensure tenant demand for space and ability to pay the rents. The financial implication therefore is one of increased value. If this were to translate into a 5% increase in sales over time, this would then

ultimately translate into a 5% increase in rents than would otherwise be the case. Based on Fy12 Net property income, this would result in **\$13.5 million increase**, but this could take many years to play out.

6.1e2: The financial implications for addressing climate change from a reputational perspective are considerable. At this point in time, only a small majority of investors are focused on our approach to sustainability, but there are a few large investors who are now showing signs of becoming more active in their investigations into these risks. A strong reputation can lead to greater investor confidence, put upward pressure on the share price, and make it easier (and cheaper) to raise equity which is a normal part of managing a listed property trust. This would mean that we would gain a competitive edge and would have an increased number of opportunities for investment as well as some indirect impacts such as lower cost of debt (through higher confidence), a greater ability to keep good staff improving CFXs potential performance going forward. While many of these opportunities are difficult to quantify a couple of opportunities are quantifiable. An impeccable record on sustainability could translate into an improvement in debt rating CFX could be entitled to a 15 to 20 basis points improvement in debt costs. At 31 December 2012, CFX had \$2.4 billion of debt, so the improvement in debt costs would translate into a \$4.2 million saving. Similarly, a higher share price would result in the cost of equity becoming cheaper too. On the share price side, if CFX wanted to raise \$200m and its unit price increased 10% due to a great sustainability reputation, then it would have to issue less units to raise \$200m. Assuming an annual distribution of 13.6 cents, an initial trading price of \$2.20, then a 10% increase in price would save \$1.1 million in distributions (in year one, and potentially more in the future).

(ii) The methods you are using to manage this opportunity;

6.1e1: People could be attracted more to mall shopping, rather than strip shopping, due to the controlled environment. Opportunities such as this relating to climate change are assessed on business level risk identification and on an asset by asset basis as part of the Strategic Asset Plan process. This is then rolled up to give an organisation wide view. The scope of the Strategic Asset Plan Process is to review all strengths, weaknesses, threats and opportunities, with climate change risk and opportunity slotting into this process. The materiality of the opportunities are measured in financial terms as the cost to remedy the risk, the impact on income or ongoing cost, and the resultant value created (opportunity) or lost (risk). The process is undertaken by the property managers in the first instance, and is reviewed by the Regional Managers, who present findings to the fund management team.

6.1e2: We continue to report on our achievements through reporting to FTSE4Good (since 2001), DJSI (since 2004), Australian SAM Index (since 2005), GRESB since 2009 and CDP since 2006. We also do voluntary investor surveys through researchers such as Trucost and Sustainalytics; and PRI questionnaires. We report (including to our debt and equity investors) on sustainability every six months as part of our statutory reporting, including a full review of our sustainability achievements (and review of commitments) in our annual report. In addition we also hold regular one-on-one meetings with sell-side analysts and buy-side institutional investors (both domestic and international). Attached is a copy of a PRI survey from an investor that we responded to this year.

(iii) The costs associated with these actions:

6.1e1: Due to the uncertainty of the impact it is difficult to place a financial cost associated with this opportunity, however it is integrated into the strategic process and becomes a business as usual cost. At this stage, the cost of this opportunity is \$0, since it is an external factor, not driven by CFX. For any additional planning or management that is required by CFX, this is incorporated into business as usual costs of running shopping centres, so \$0 marginal impact also. The human capital cost equivalent could possibly be estimated circa \$650,000 per year across the CFSGAM suite of funds.

6.1e2: The cost of this opportunity is in the form of human capital, comprising: a team of professional sustainability personnel across the entire CFSGAM suite of property funds, the additional working hours of other staff in the business to report on our sustainability achievements as well as a

number of consultancy firms used for advisory and consulting. The human capital cost equivalent could be estimated circa \$650,000 per year across the CFSGAM suite of funds.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/CFSGAM Sustainability Case Study - Grand Plaza Condensation Harvesting.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/CFSGAM%20Sustainability%20Case%20Study%20-%20Grand%20Plaza%20Condensation%20Harvesting.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/121121 ESG information for CFX and CPA.msg](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/121121%20ESG%20information%20for%20CFX%20and%20CPA.msg)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared)

Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/Emporium_Design_Brief_-_v6_100614_132310[1].pdf
[https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/NIP - Measures summary for all CFX sites - 2013.xlsx](https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/NIP_-_Measures_summary_for_all_CFX_sites_-_2013.xlsx)
[https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/121102 CPPIB PRI questionnaire, Final.docx](https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/121102_CPPIB_PRI_questionnaire_Final.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/CFSGAM Sustainability Case Study - MCB Carpark Lighting.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/CFSGAM_Sustainability_Case_Study_-_MCB_Carpark_Lighting.pdf)

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

| Base year | Scope 1 Base year emissions (metric tonnes CO2e) | Scope 2 Base year emissions (metric tonnes CO2e) |
|-----------------------------------|--|--|
| Sun 01 Jan 2006 - Sun 31 Dec 2006 | 3717 | 90313 |

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

| Please select the published methodologies that you use |
|--|
| Australia - National Greenhouse and Energy Reporting Act |
| ISO 14064-1 |
| The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) |

Please select the published methodologies that you use

Other

7.2a

If you have selected "Other", please provide details below

Australia: National Greenhouse Accounts – June 2009
Australia: National Greenhouse Accounts – June 2010
Australia: National Greenhouse Accounts – June 2011
Australia: National Greenhouse Accounts – June 2012
National Greenhouse and Energy Reporting (Measurement) Determination 2008 - issued July 2012

7.3

Please give the source for the global warming potentials you have used

| Gas | Reference |
|------------|--|
| CO2 | IPCC Second Assessment Report (SAR - 100 year) |
| CH4 | IPCC Second Assessment Report (SAR - 100 year) |
| Other: N20 | IPCC Second Assessment Report (SAR - 100 year) |
| HFCs | IPCC Second Assessment Report (SAR - 100 year) |

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

| Fuel/Material/Energy | Emission Factor | Unit | Reference |
|----------------------|-----------------|------|-----------|
|----------------------|-----------------|------|-----------|

Further Information

Spreadsheet attached as requested under 7.4

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/7.EmissionsMethodology/Emissions Factors Used.XLSX](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/7.EmissionsMethodology/Emissions%20Factors%20Used.XLSX)

Page: 8. Emissions Data - (1 Jan 2012 - 31 Dec 2012)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Equity share

8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO₂e

5322

8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

91901

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

No

8.4a

Please complete the table

| Source | Scope | Explain why the source is excluded |
|--------|-------|------------------------------------|
| | | |

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

| Scope 1 emissions: Uncertainty range | Scope 1 emissions: Main sources of uncertainty | Scope 1 emissions: Please expand on the uncertainty in your data | Scope 2 emissions: Uncertainty range | Scope 2 emissions: Main sources of uncertainty | Scope 2 emissions: Please expand on the uncertainty in your data |
|--------------------------------------|--|--|--------------------------------------|--|---|
| More than 2% but less than | Data Gaps Extrapolation | The data used to calculate scope 1 emissions includes over 99.64% actual data. | Less than or equal to 2% | Data Gaps Extrapolation | The Electricity data used to calculate emissions includes over 98.8% actual data. |

| Scope 1 emissions: Uncertainty range | Scope 1 emissions: Main sources of uncertainty | Scope 1 emissions: Please expand on the uncertainty in your data | Scope 2 emissions: Uncertainty range | Scope 2 emissions: Main sources of uncertainty | Scope 2 emissions: Please expand on the uncertainty in your data |
|--------------------------------------|--|---|--------------------------------------|--|---|
| or equal to 5% | Metering/ Measurement Constraints Other: Published emission factors | The remaining 0.36% is estimated using extrapolation and interpolation, which is factored into the uncertainty calculation. CFSGAM uses the uncertainty methodology provided in the National Greenhouse and Energy Reporting (Measurement) Determination 2008 as amended (the Determination) to achieve 95% confidence in emissions data. CFSGAM has data collection processes for all sources of emissions; therefore, the uncertainty from the sources identified is minimal. The methodology uses default uncertainty factors for published emissions factors (in the Determination) and additional factors for activity data, how the data is derived and energy content factors. CFSGAM primarily acquires invoice based data and metering. Both methods are reliable data sources, with risks of uncertainty minimised by meter maintenance and effective data management software, CarbonScopeTM. Invoice based consumption data is uploaded into CarbonScopeTM. CarbonScopeTM uses costs, tariffs and consumption periods to allow multiple data verification parameters. Data gaps in both systems are easily identified and rectified, either with actual data or by extrapolating existing data based on historic data and estimations. Data is captured for invoiced energy sources and therefore extrapolation is only ever conducted to fill data gaps, not to estimate complete emission sources. Invoice data for refrigeration is supplemented with data for | | Metering/ Measurement Constraints | The remaining 1.2% is estimated using extrapolation and interpolation, which is factored into the uncertainty calculation. Scope 2 emissions are related entirely to purchased electricity. Raw data, for the purposes of emissions calculations, is captured from invoices. CFSPM has only minimal risks of uncertainty in relation to its electricity data. This is a result of sound data management which involves uploading of the invoice based data directly into CarbonScopeTM, regular checks and rigorous management of data gaps. These systems reduce the risk of uncertainty as CarbonScopeTM has mechanisms to validate data and identify and manage data gaps. Where data gaps are identified in either system, these are rectified based on actual data or use of historic data and estimates. Data gaps are never left unrectified. Although the NGER Scheme does not provide uncertainty factors for scope 2 emissions, the NGER uncertainty methodology was used to calculate scope 2 uncertainty for electricity data. Nearly all the CFSGAM electricity data is sourced from invoices. Minor uncertainties are inherent in the metered consumption invoiced by electricity retailers. The National Electricity Market (NEM) Rules relating to metering require meters to have an overall error of not more than $\pm 1.5\%$ (NEM Rules, Version 34, Schedule 7.2.2), therefore, this figure was applied to the percentage of data sourced from invoices. In addition, a 2% uncertainty |

| Scope 1 emissions: Uncertainty range | Scope 1 emissions: Main sources of uncertainty | Scope 1 emissions: Please expand on the uncertainty in your data | Scope 2 emissions: Uncertainty range | Scope 2 emissions: Main sources of uncertainty | Scope 2 emissions: Please expand on the uncertainty in your data |
|---|---|---|---|---|---|
| | | refrigerants derived from air conditioning charge estimates. This is the largest source of uncertainty, and CFSGAM is considering options for improving data collection methods to reduce uncertainty. Metering and measurement constraints under the responsibility of third parties (e.g. suppliers who provide invoice based data) and published emission factors are outside of CFSGAM's control. These sources of uncertainty are minimal as they represent the best available information and are constantly being monitored and updated. | | | was applied to the usage figures, to encapsulate uncertainties relating to extrapolation and data management. |

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Third party verification or assurance complete

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Attach the document |
|-----------------------------------|-------------------|---|
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-8.6b-C3-RelevantStatement/Investor-8.6b-VerificationDetails1/CDP Assurance_CFX.pdf |
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-8.6b-C3-RelevantStatement/Investor-8.6b-VerificationDetails2/CFS_NBMGM_130422_S_Statement_V0_CFX.docx |

8.6c

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

| Regulation | % of emissions covered by the system | Compliance period | Evidence of submission |
|------------|--------------------------------------|-------------------|------------------------|
| | | | |

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

Third party verification or assurance complete

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Attach the document |
|-----------------------------------|-------------------|---|
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-8.7b-C3-RelevantStatement/Investor-8.7b-VerificationDetailsS21/CDP Assurance_CFX.pdf |
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-8.7b-C3-RelevantStatement/Investor-8.7b-VerificationDetailsS22/CFS_NBMGM_130422_S_Statement_V0_CFX.docx |

8.8

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

8.8a

Please provide the emissions in metric tonnes CO2

Further Information

Please find attached the ASAE3000 Limited Assurance Statement and Letter from NetBalance.

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/8.EmissionsData\(1Jan2012-31Dec2012\)/CDP Assurance_CFX.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/8.EmissionsData(1Jan2012-31Dec2012)/CDP%20Assurance_CFX.pdf)

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/8.EmissionsData\(1Jan2012-31Dec2012\)/CFS_NBMGM_130422_S_Statement_V0_CFX.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/8.EmissionsData(1Jan2012-31Dec2012)/CFS_NBMGM_130422_S_Statement_V0_CFX.docx)

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2012 - 31 Dec 2012)

9.1

Do you have Scope 1 emissions sources in more than one country?

No

9.1a

Please complete the table below

| Country/Region | Scope 1 metric tonnes CO2e |
|----------------|----------------------------|
|----------------|----------------------------|

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By facility
By GHG type
By activity

9.2a

Please break down your total gross global Scope 1 emissions by business division

| Business division | Scope 1 emissions (metric tonnes CO2e) |
|-------------------|--|
|-------------------|--|

9.2b

Please break down your total gross global Scope 1 emissions by facility

| Facility | Scope 1 emissions (metric tonnes CO2e) | Latitude | Longitude |
|--|--|-----------|-----------|
| The Entertainment Quarter NSW | 0 | -33.89655 | 151.21998 |
| Grand Plaza Browns Plains QLD | 0 | -27.67191 | 153.02870 |
| Rockingham City Shopping Centre WA | 178 | -32.28117 | 115.73437 |
| Runaway Bay Village Shopping Centre QLD | 0 | -27.91534 | 153.39604 |
| 15 Bowes St Woden ACT | 81 | -35.34789 | 149.08946 |
| Altona Gate Shopping Centre Altona North | 28 | -37.83042 | 144.83438 |
| Bayside Shopping Centre Frankston | 270 | -38.15723 | 145.15654 |
| Brimbank Plaza | 267 | -37.77750 | 144.77222 |
| Broadmeadows Shopping Centre | 312 | -37.67694 | 144.92167 |
| Castle Plaza Shopping Centre SA | 0 | -34.98140 | 138.57241 |
| Chadstone Shopping Centre VIC | 1283 | -37.88275 | 145.08799 |
| Chatswood Chase Shopping Centre | 0 | -33.80077 | 151.1796 |
| Clifford Gardens Shopping Centre QLD | 0 | -27.56665 | 151.95001 |
| Corio Village Shopping Centre VIC | 117 | -38.07472 | 144.37056 |
| Eastlands Shopping Centre Rosny Park | 0 | -42.87197 | 147.41446 |
| Elizabeth City Centre Elizabeth | 59 | -34.71976 | 138.66627 |
| Forest Hill Chase Forest Hill VIC | 1093 | -37.88333 | 145.16667 |
| Lake Haven Shopping Centre Lake Haven | 0 | -33.30848 | 151.42360 |
| Northland Shopping Centre Preston | 787 | -37.73483 | 145.03221 |
| Post Office Square Brisbane QLD | 0 | -27.48251 | 153.03432 |
| Queens Plaza Queen Street Brisbane QLD | 28 | -27.48251 | 153.03432 |

| Facility | Scope 1 emissions (metric tonnes CO2e) | Latitude | Longitude |
|---|--|-----------|-----------|
| Rosebud Plaza VIC | 0 | -38.35861 | 144.90528 |
| Roxburgh Park Shopping Centre Roxburgh Park | 137 | -37.68390 | 144.93539 |
| Northgate Shopping Centre | 15 | -42.50 | 147.17 |
| DFO Moorabbin | 536 | -37.962 | 145.060 |
| DFO Homebush | 0 | -33.867 | 151.069 |
| DFO Essendon | 68 | -37.727 | 144.912 |
| DFO South Wharf | 63 | -37.823 | 144.966 |
| Myer Centre Elizabeth St Brisbane | 0 | -27.48251 | 153.03432 |

9.2c

Please break down your total gross global Scope 1 emissions by GHG type

| GHG type | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
| CO2 | 5054 |
| CH4 | 10 |
| N2O | 3 |
| HFCs | 255 |

9.2d

Please break down your total gross global Scope 1 emissions by activity

| Activity | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
| Heating | 5052 |

| Activity | Scope 1 emissions (metric tonnes CO2e) |
|--------------------|--|
| Cooling | 255 |
| Back-up Generators | 15 |

9.2e

Please break down your total gross global Scope 1 emissions by legal structure

| Legal structure | Scope 1 emissions (metric tonnes CO2e) |
|-----------------|--|
|-----------------|--|

Further Information

Please see breakdown of emissions by state attached in relation to question 9.1a

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/9.Scope1EmissionsBreakdown\(1Jan2012-31Dec2012\)/Scope 1 Emissions by Region CFX.xlsx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/9.Scope1EmissionsBreakdown(1Jan2012-31Dec2012)/Scope%201%20Emissions%20by%20Region%20CFX.xlsx)

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2012 - 31 Dec 2012)

10.1

Do you have Scope 2 emissions sources in more than one country?

No

10.1a

Please complete the table below

| Country/Region | Scope 2 metric tonnes CO2e | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling (MWh) |
|----------------|----------------------------|--|---|
|----------------|----------------------------|--|---|

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By facility
By activity

10.2a

Please break down your total gross global Scope 2 emissions by business division

| Business division | Scope 2 emissions (metric tonnes CO2e) |
|-------------------|--|
|-------------------|--|

10.2b

Please break down your total gross global Scope 2 emissions by facility

| Facility | Scope 2 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

| Facility | Scope 2 emissions (metric tonnes CO2e) |
|-----------------------|--|
| Entertainment Quarter | 533 |
| Grand Plaza | 1764 |
| Rockingham | 1548 |
| Runaway Bay | 1314 |
| Bowes St | 602 |
| Altona Gate | 2935 |
| Bayside | 9818 |
| Brimbank Central | 3642 |
| Broadmeadows | 5701 |
| Castle Plaza | 733 |
| Chadstone | 10941 |
| Chatswood Chase | 6450 |
| Clifford Gardens | 1844 |
| Corio Village | 3147 |
| Eastlands | 579 |
| Elizabeth | 3470 |
| Forest Hill Chase | 7297 |
| Lake Haven | 2616 |
| Myer Centre Brisbane | 3506 |
| Northland | 6118 |
| Post Office Square | 625 |
| Queens Plaza | 2937 |
| Rosebud Plaza | 517 |
| Roxburgh Park | 757 |
| Northgate | 380 |
| DFO Moorabbin | 1760 |
| DFO Homebush | 2556 |
| DFO Essendon | 3115 |
| DFO South Wharf | 4696 |

Please break down your total gross global Scope 2 emissions by activity

| Activity | Scope 2 emissions (metric tonnes CO2e) |
|--------------------------------|--|
| Lighting and Common Area Power | 91901 |

10.2d

Please break down your total gross global Scope 2 emissions by legal structure

| Legal structure | Scope 2 emissions (metric tonnes CO2e) |
|-----------------|--|
|-----------------|--|

Further Information

Please see a breakdown of scope 2 emissions by state attached in relation to question 10.1a

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/10.Scope2EmissionsBreakdown\(1Jan2012-31Dec2012\)/Scope 2 Emissions by Region CFX.xlsx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/10.Scope2EmissionsBreakdown(1Jan2012-31Dec2012)/Scope%20Emissions%20by%20Region%20CFX.xlsx)

Page: 11. Energy

11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

| Energy type | MWh |
|-------------|-------|
| Fuel | 27410 |
| Electricity | 90200 |
| Heat | 0 |
| Steam | 0 |
| Cooling | 0 |

11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

| Fuels | MWh |
|-------------------------------|-------|
| Natural gas | 27341 |
| Liquefied petroleum gas (LPG) | 69 |

11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor

| Basis for applying a low carbon emission factor | MWh associated with low carbon electricity, heat, steam or cooling | Comments |
|--|--|----------|
| No purchases or generation of low carbon electricity, heat, steam or cooling | 0 | |

Page: 12. Emissions Performance

12.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

12.1a

Please complete the table

| Reason | Emissions value (percentage) | Direction of change | Comment |
|--------------------------------|------------------------------|---------------------|---|
| Emissions reduction activities | 3.20 | Decrease | Through numerous emission reduction activities, primarily through energy efficiency upgrade projects at many of our facilities, the absolute emissions for CFX have decreased by 3.20%. This is on a like for like basis for those properties that have remained in the Fund for a 24 month period (covering 2 reporting periods). Representative examples of these emissions activities are in summary below (refer detail in the attachments); Altona – Installation of Voltage Optimisation Project cost: \$9,746 Payback period: 1.14 years Energy Savings: 43,728 kWh p.a. Cost savings: \$8,527 p.a. CO ₂ -e Pollution Offset: 52.4T CO ₂ -e Detail: Installation of VPO units across the car park lighting load at the Altona Gate Shopping Centre, to reduce electricity wastage and prolong the lifespan of the lighting and motor equipment Queens Plaza – Building Control Optimization Project cost: \$109,000 Payback period: 2.2 years Energy Savings: 371 MWH p.a. Cost savings: \$48,000 p.a. CO ₂ -e Pollution Offset: 370T CO ₂ -e DFO Moorabbin – Mall Lighting upgrade Project cost: \$105,712 Payback period: 3.2 years Energy Savings: 192 MWH p.a. Cost savings: \$33,035 per annum (\$29,624 Energy \$1,423 Maintenance, \$1,988 Air-Con Load Reduction) CO ₂ -e Pollution Offset: 254T CO ₂ -e Chatswood Chase – Carpark Demand Ventilation Optimisation Project cost: \$158,075 Payback period: 1.5 years Energy Savings: 900 MWH p.a. Cost savings: \$112,000 per annum CO ₂ -e Pollution Offset: 787T CO ₂ -e Corio – Chiller performance monitoring Project cost: \$37,000 Payback period: 7.4 months Energy Savings: 192 MWH p.a. Cost savings: \$60,000 per annum CO ₂ -e Pollution Offset: 650T CO ₂ -e |
| Divestment | 2.60 | Decrease | The 2.60% decrease in emissions for the CFX portfolio is attributable to the equity change of Myer Centre Brisbane during the calendar year 2012. This sites equity % change due to partial sale contributed to a 42.66% reduction of the total reportable emissions for the asset in relation to CFX. |
| Acquisitions | | | |
| Mergers | | | |
| Change in output | | | |

| Reason | Emissions value (percentage) | Direction of change | Comment |
|---|------------------------------|---------------------|---|
| Change in methodology | | | |
| Change in boundary | | | |
| Change in physical operating conditions | 2.31 | Increase | The 2.31% increase in emissions for the CFX portfolio is attributable to the development of several assets (Brimbank, Broadmeadows, Corio, Roxburgh Park, DFO South Wharf and Forest Hill Chase) during the calendar year 2012. These sites contribute approximately 20% of the total emissions for the fund. |
| Unidentified | | | |
| Other | | | |

12.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| 0.000183 | metric tonnes CO2e | unit total revenue | 0.2 | Decrease | The marginal decrease in intensity per unit currency total revenue is despite revenue decreasing by 3.42% compared to 2011, whereas emissions have decreased at the same rate due mainly to numerous emission reduction activities, primarily driven by energy efficiency upgrade projects, the absolute emissions for CFX have decreased by 3.2% (see 12.1a row 1). |

12.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|--------------------|-----------------------------|--|---|
| 0 | metric tonnes CO2e | FTE employee | 0 | No change | We cannot report on this metric as CFX technically does not have any FTEs (full time equivalent employees). All staff who manage this trust are employed by the parent company CBA who report these figures in their response to the CDP. (see explanation of structure in the introduction to the survey). |

12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change |
|------------------|--------------------|--------------------|-----------------------------|--|---|
| 0.0904 | metric tonnes CO2e | square meter | 1.0 | Decrease | The reduction in emissions intensity of 1.0% has been driven by emissions reduction activities, which have focused on the identification and implementation of energy efficiency upgrades through the deployment of the CFX Operational Performance Strategy. |

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/CFSGAM Case study DFO Moorabbin - HiBay Lighting.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/CFSGAM%20Case%20study%20DFO%20Moorabbin%20-%20HiBay%20Lighting.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Queens Plaza Case Study - Building Controls - 2012.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Queens%20Plaza%20Case%20Study%20-%20Building%20Controls%20-%202012.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/CFSGAM Sustainability Case Study Ark Voltage Optimisation.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/CFSGAM%20Sustainability%20Case%20Study%20Ark%20Voltage%20Optimisation.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Corio Case Study - PlantPro - 2012.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Corio%20Case%20Study%20-%20PlantPro%20-%202012.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Chatswood Case - 2012.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/Chatswood%20Case%20-%202012.pdf)

Page: 13. Emissions Trading

13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

13.1a

Please complete the following table for each of the emission trading schemes in which you participate

| Scheme name | Period for which data is supplied | Allowances allocated | Allowances purchased | Verified emissions in metric tonnes CO2e | Details of ownership |
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|

13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

13.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

13.2a

Please complete the table

| Credit origination or credit purchase | Project type | Project identification | Verified to which standard | Number of credits (metric tonnes of CO2e) | Number of credits (metric tonnes CO2e): Risk adjusted volume | Credits retired | Purpose, e.g. compliance |
|---------------------------------------|--------------------------------|--|----------------------------|---|--|-----------------|--------------------------|
| Credit Origination | Energy efficiency: supply side | IPART Energy Savings Scheme (NSW Government) | Other: NABERS Methodology | 4819 | 4819 | No | Voluntary Offsetting |

Further Information

Detail of 13.2 answer is attached.

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/13.EmissionsTrading/ESC Proposal Chiller Upgrades EQ Colonial.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/13.EmissionsTrading/ESC%20Proposal%20Chiller%20Upgrades%20EQ%20Colonial.pdf)

Page: 14. Scope 3 Emissions

14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

| Sources of Scope 3 emissions | Evaluation status | metric tonnes CO2e | Methodology | Percentage of emissions calculated using primary data | Explanation |
|---|------------------------------------|--------------------|--|---|--|
| Purchased goods and services | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is investment in Retail Shopping Centres. |
| Capital goods | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is investment in Retail Shopping Centres. |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) | Relevant, calculated | 13282 | These emissions relate to indirect emissions of CFX's scope 1 and 2 emissions, being those attributable to the extraction, production and transportation of fuels and for electricity, the electricity lost in the transmission and distribution network. For each fuel type, emissions have been calculated by multiplying the total quantity of fuel/electricity consumed by the relevant emissions factor from the Australian National Greenhouse Accounts (NGA) Factors. A list of the relevant emissions factors are supplied in the Excel document provided in question 7.4. | 99% | Scope 3 emissions for fuel and energy related activities are calculated from supplier invoices. Where there are gaps in invoice data estimates are used. |
| Upstream transportation and distribution | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is the ownership of shopping centres. |
| Waste generated in operations | Relevant, calculated | 15405 | These emissions relate to the indirect emissions associated with the collection of solid waste for disposal in landfill. Emissions have been calculated by multiplying the total quantity of waste consumed by the relevant emissions factor from the Australian National Greenhouse Accounts (NGA) Factors, July 2010. A list of the relevant emissions factors are supplied in the Excel document provided in question 7.4. | 100% | Scope 3 emissions for waste are calculated based on reports provided by our appointed waste consultant, "Waste Audit". |
| Business travel | Not relevant, explanation | | | | We cannot report on this metric as CFX technically does not have any FTEs (full |

| Sources of Scope 3 emissions | Evaluation status | metric tonnes CO2e | Methodology | Percentage of emissions calculated using primary data | Explanation |
|--|------------------------------------|--------------------|-------------|---|---|
| | provided | | | | time equivalent employees). All staff who manage this trust are employed by the parent company CBA who report this data in their submission to CDP.(see explanation of structure in the introduction to the survey). |
| Employee commuting | Not relevant, explanation provided | | | | We cannot report on this metric as CFX technically does not have any FTEs (full time equivalent employees). All staff who manage this trust are employed by the parent company CBA who report this data in their submission to the CDP(see explanation of structure in the introduction to the survey). |
| Upstream leased assets | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Investments | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Downstream transportation and distribution | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Processing of sold products | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Use of sold products | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |

| Sources of Scope 3 emissions | Evaluation status | metric tonnes CO2e | Methodology | Percentage of emissions calculated using primary data | Explanation |
|--|------------------------------------|--------------------|-------------|---|--|
| | | | | | investment. |
| End of life treatment of sold products | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Downstream leased assets | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Franchises | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |
| Other (upstream) | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund., which is real estate investment |
| Other (downstream) | Not relevant, explanation provided | | | | Not applicable for CFX's business operations due to the nature of the activities of the Fund, which is real estate investment. |

14.2

Please indicate the verification/assurance status that applies to your Scope 3 emissions

Third party verification or assurance complete

14.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 90% but less than or equal to 100%

14.2b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Attach the document |
|-----------------------------------|-------------------|---|
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails1/CDP Assurance_CFX.pdf |
| Limited assurance | ASAE3000 | https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails2/CFS_NBMGM_130422_S_Statement_V0_CFX.docx |

14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

14.3a

Please complete the table

| Sources of Scope 3 emissions | Reason for change | Emissions value (percentage) | Direction of change | Comment |
|---|---|------------------------------|---------------------|--|
| Waste generated in operations | Change in methodology | 15.68 | Increase | 2012 was a transition year for many assets to the national provider Veolia this is specifically the case for the DFO assets within the portfolio and as such the Scope 3 waste generated in operations reflects this deviation for months in which assets were not fully represented by the national provider. |
| Fuel- and energy-related activities (not included in Scopes 1 or 2) | Divestment | 1.05 | Decrease | A 1.05% decrease in scope 3 emissions for the CFX portfolio is attributable to the equity change of Myer Centre Brisbane during the calendar year 2012. This sites equity % change due to partial sale contributed to a 42.66% reduction of the total reportable emissions for the asset in relation to CFX. |
| Fuel- and energy-related activities (not included in Scopes 1 or 2) | Change in physical operating conditions | 6.06 | Increase | A 6.1% increase in scope 3 emissions for the CFX portfolio is attributable to the development of several assets (Brimbank, Broadmeadows, Corio, Roxburgh Park, DFO South Wharf and Forest Hill Chase) during the calendar year 2012. |
| Fuel- and energy-related activities (not included in Scopes 1 or 2) | Emissions reduction activities | 0.79 | Decrease | Through numerous emission reduction activities, primarily through energy efficiency upgrade projects at many of our facilities, the scope 3 emissions for CFX have decreased by 0.8%. Representative examples of these emissions activities are in summary below; Altona – Installation of Voltage Optimisation Project cost: \$9,746 Payback period: 1.14 years Energy Savings: 43,728 kWh p.a. Cost savings: \$8,527 p.a. CO ₂ -e Pollution Offset: 52.4T CO ₂ -e Detail: Installation of VPO units across the car park lighting load at the Altona Gate Shopping Centre, to reduce electricity wastage and prolong the lifespan of the lighting and motor equipment Queens Plaza – Building Control Optimization Project cost: \$109,000 Payback period: 2.2 years Energy Savings: 371 MWH p.a. Cost savings: \$48,000 p.a. CO ₂ -e Pollution Offset: 370T CO ₂ -e DFO Moorabbin – Mall Lighting upgrade Project cost: \$105,712 Payback period: 3.2 years Energy Savings: 192 MWH p.a. Cost savings: \$33,035 per annum (\$29,624 Energy \$1,423 Maintenance, \$1,988 Air-Con Load Reduction) CO ₂ -e Pollution Offset: 254T CO ₂ -e Chatswood Chase – Carpark Demand Ventilation Optimisation Project cost: \$158,075 Payback period: 1.5 years Energy Savings: 900 MWH p.a. Cost savings: \$112,000 per annum CO ₂ -e Pollution Offset: 787T CO ₂ -e Corio – Chiller performance monitoring Project cost: \$37,000 Payback period: 7.4 months Energy Savings: 192 MWH p.a. Cost savings: \$60,000 per annum CO ₂ -e Pollution Offset: 650T CO ₂ -e |

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Methods of Engagement:

(i) A Responsible Procurement Policy is in place to ensure that CFX works in partnership with our key suppliers to raise awareness and minimise the impacts of their activities. This policy seeks to comply with, and aims to (where possible) go beyond relevant standards and legislation, and encourages suppliers to do the same. The Responsible Procurement Policy has been embedded in to the CFX's newly launched Group wide Procurement Policy which details the development and integration of a Supply Chain Management Sustainability Checklist, along with the use of KPIs and SLAs to manage sustainability outcomes and performance.

(ii) We engage with a large numbers of suppliers and contractors. As an example, through our current waste and recycling contracts and cleaning contracts, we formally engage with our suppliers via education and awareness sessions including the use of Waste and Cleaner Awareness 'Toolbox Sessions' and the development and implementation of a waste and recycling training DVD entitled 'Everyone Has A Role to Play'.

(iii) We have a formal Tenant Engagement and Communications Program which is rolled out across all properties within CFX. The management of these plans are under the accountability of building management along with the asset management teams. We encourage all existing and future tenants to reduce their environmental incl. carbon footprint in their tenancies and individual Building Environmental Management Plans.

(iv) We also engage directly with external bodies to develop partnerships or to participate in programs that can influence either directly or indirectly on a tenants footprint. We continually promote these programs to our tenants via newsletters, websites and education forums.

Prioritizing Engagements: All methods of engagement are of importance to CFX and we have undertaken a stakeholder materiality assessment (aligned with AA1000) to prioritise those stakeholders throughout our value chain, their material issues and as a result, can develop a future engagement strategy. Furthermore, on an annual basis, we conduct Tenant Surveys across selected major tenants in the Fund and this allows the Fund to also establish formal strategy for engagement.

Measures of Success:

(i) The measurement of success is in responses received from suppliers and the level of detail obtained in the responses.

(ii) The measures of success include high performing building waste diversion rates.

(iii) A measure of success is highly engaged tenants that desire accommodation within CFX's portfolio.

(iv) A measure of success is strong and collaborative working relationships with external and peak bodies.

14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

| Number of suppliers | % of total spend | Comment |
|---------------------|------------------|---|
| 5 | 21% | CFX engages through procurement, asset management, tenant management and operational activities with its managing agents and suppliers / contractors in areas such as cleaning, HVAC maintenance, waste management, lighting and other various products and services. |

14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

| How you make use of the data | Please give details |
|------------------------------|---|
| We do not have any data | Most suppliers do not capture specific GHG emissions data for use within scorecards. It is CFX's intent that through increased engagement that the availability of this information will become easier for our suppliers in the future. |

14.4d

Please explain why not and any plans you have to develop an engagement strategy in the future

Further Information

Please find attached the ASAE3000 Limited Assurance Statement and Letter from NetBalance.

Attachments

[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/CDP Assurance_CFX.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/CDP%20Assurance_CFX.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/CFS_NBMGM_130422_S_Statement_V0_CFX.docx](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/CFS_NBMGM_130422_S_Statement_V0_CFX.docx)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/14.4a - CFSGAM RI Sustainability Survey - Non tender - Veolia.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/14.4a%20-%20CFSGAM%20RI%20Sustainability%20Survey%20-%20Non%20tender%20-%20Veolia.pdf)
[https://www.cdproject.net/sites/2013/91/3091/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/14.4a CDP - Colonial First State RPI Survey - Verde Solutions.pdf](https://www.cdproject.net/sites/2013/91/3091/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/14.4a%20CDP%20-%20Colonial%20First%20State%20RPI%20Survey%20-%20Verde%20Solutions.pdf)

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Michael Gorman - Fund Manager of CFS Retail Property Trust Group.

CDP 2013 Investor CDP 2013 Information Request