



sustainability

Kiwi Property is committed to delivering a brighter New Zealand by reducing our resource consumption, contributing to community building and providing a reliable investment option from a high-quality property portfolio. Learn more in this, our 2019 Sustainability Report.

kp.co.nz



Jason Happy volunteering at Cue Haven, Auckland

welcome to our 2019 sustainability report

During the 2019 financial year, Kiwi Property has again delivered real results through the execution of its sustainability programme, as we contribute to a sustainable New Zealand.

In July 2018, we joined more than 60 New Zealand companies on the Climate Leaders Coalition (now over 80); a group dedicated to leading the way to a low carbon economy. This continues what has been for us a 16-year commitment to reducing our environmental footprint.

Some of the metrics I love from our achievements this year include:

- our 3% reduction in carbon emissions (taking our total reduction since 2012 to 47%)
- the saving of over 87,000 uses of plastic water bottles following the installation of our free water filling stations, and

- the start of our journey to become New Zealand's largest commercial user of solar energy.

We have also reviewed our sustainability programme for the next three years, focusing us on our commitments across people, planet and profit. In doing so, we have set in place guidelines on how we will:

- contribute positively to the communities in which we operate
- continue to reduce our environmental footprint, and
- continue to deliver sustainable returns for our shareholders.

We're proud of our journey to date and look forward to continued success.



JASON HAPPY
NATIONAL FACILITIES MANAGER



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'Live on the Lawn' at Sylvia Park, Auckland

we are kiwi property

bringing places to life

Kiwi Property (NZX: KPG) is the largest listed property company on the New Zealand Stock Exchange and is a member of the S&P/NZX 20 Index.

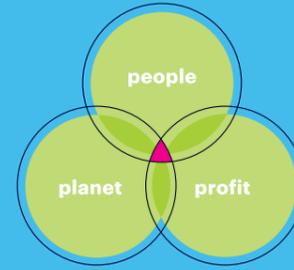
New Zealand born and bred, we've been creating the spaces that Kiwis love for over 25 years, with expertise in property investment, development and asset management.

We proudly own and manage \$3.2 billion in direct property investments, in a portfolio comprising some of New Zealand's best mixed-use, retail and office assets. We also manage properties valued at approximately \$400 million on behalf of third parties.



All data in this document is for the year ended and/or as at 31 March 2019. Due to rounding, numbers within this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

This Sustainability Report should be read in conjunction with the 2019 Kiwi Property Annual Report, which is available on our website, kp.co.nz/annual-result



our sustainability strategy

our sustainability strategy for the next three years is focused on our continued commitments to people, planet and profit

our commitments across people, planet, profit

our guiding principles



people

we are community builders

Our assets connect us to diverse people and cultures across New Zealand. We set out to create spaces where people feel they belong and that contribute to wellness and inclusiveness by providing a broad mix of spaces for both active and restful enjoyment.



planet

we are focused on reducing our footprint

We're deeply committed to investing in a brighter New Zealand by lowering our resource consumption and carbon footprint, preserving our nation's outstanding biodiversity, and by encouraging others to do the same.

By focusing on reducing our resource consumption and carbon footprint, we not only obtain better environmental outcomes, we also deliver tangible benefits to our business.



profit

sustainable returns by creating exceptional experiences

We are committed to delivering sustainable returns for our investors. We do this by:

- ensuring our assets are resilient and perform strongly
- investing in the economic prosperity of the communities in which we operate, and
- intensively managing our assets so that they remain attractive for visitors and customers.

our key focus over the next three years



people

foster wellbeing and health and safety

- promote employee, contractor, visitor and customer wellbeing and health and safety

promote accessibility and inclusiveness

- improve accessibility for all
- promote cultural inclusiveness

support our communities

- support local communities through relevant projects
- encourage employee participation in the volunteering programme



planet

reduce waste

- reduce waste to landfill and increase recycling rates

reduce energy consumption

- reduce energy consumption
- increase energy usage from renewable sources

preserve biodiversity

- in new developments, preserve or, ideally, enhance the local biodiversity

reduce chemical use

- identify and implement measures that reduce chemical usage



profit

reduce carbon footprint

- reduce carbon footprint in line with 'science-based targets' initiative
- continue leading the New Zealand property market in reporting and certification

responsible investment

- maintain good practice reporting
- maintain at least two, third party index ratings to 'good' practice level

encourage sustainability practices with our suppliers, visitors and customers

- encourage sustainability practices for our key suppliers
- continue to enhance our guidance to customers
- raise awareness of sustainability issues with our visitors

we implement, monitor and report against our sustainability strategy

our sustainability strategy is implemented and monitored using both top down and bottom up management

Our journey started with a commitment in 2003, when we began integrating sustainability into our operations. At that time, we recognised that we could play an important role in protecting and enhancing the environment for future generations. In doing so, we established our commitment to securing a viable and sustainable property sector by integrating environmental considerations into our business practices.

roles and responsibilities

board

The Board has ultimate responsibility for sustainability. The Board reviews and approves the sustainability strategy and reviews and monitors progress against targets.

chief executive officer

The Chief Executive Officer is tasked by the Board to implement the sustainability strategy and report progress at each board meeting.

sustainability committee

Chaired by the National Facilities Manager, the Sustainability Committee includes senior managers from across the business.

how we report



implementation

The Sustainability Committee implements our sustainability strategy and manages the programme of actions.

Our key assets are supported by a Facilities Manager who is responsible for achieving operational efficiencies and implementing our environmental programmes. Typically, one third of their performance incentive, and one third of the National Facilities Manager's performance incentive, depends on them achieving set targets.

Our key Asset Managers include sustainability initiatives in their annual plan in line with the sustainability strategy. Each key asset has a sustainability champion who supports the Facilities Manager to implement the broader community and sustainability initiatives.



reporting

Our sustainability performance is reported through the Company's Annual Report, this standalone Sustainability Report and a Greenhouse Gas Inventory Disclosure Document, each of which is published on our website, kp.co.nz.

In addition, we benchmark our performance through the Carbon Disclosure Project (CDP) and FTSE4Good.



global alignment

We have aligned the Company to the United Nations Principles for Responsible Investment (UNPRI) and have conducted a full sustainability and climate change review.

The review analysed internal and external sustainability factors, including comparing the Company's practices with best practice. These included CDP, UNPRI, AA1000 and GRESB (Global Real Estate Sustainability Benchmarking).

A climate change risk and opportunity assessment, from asset level through to strategic level, was conducted and continues to inform the strategy development.



stakeholder feedback

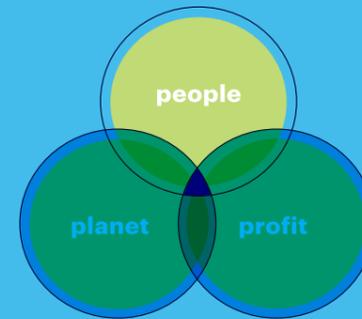
An ongoing stakeholder engagement and review process with investors, customers, employees, suppliers and government supports us in identifying our key material risks and issues. The material risks identified can be summarised as:

- responsible investment and reporting
- reducing our environmental impacts, and
- supporting our communities by making our facilities accessible, safe and inclusive and supporting local community and business initiatives.

The feedback we receive supports the ongoing refinement of our sustainability strategy, practices and reporting.



'Just add Colour' at LynnMall, Auckland



people

we are community builders

People are at the heart of everything we do at Kiwi Property – from our great team and customers to the diverse New Zealand communities we serve.

As the country's oldest and largest listed property company, we see a fundamental part of our role as being that of a community builder; a company that combines social responsibility with economic prosperity.

For the people we employ, we have a responsibility for their safety and wellness, and to help them grow in their careers as they deliver for our visitors, customers and shareholders.

In the community, our assets connect us to diverse people and cultures across New Zealand. More than a duty, we see our role as providing spaces of inclusiveness, where people are safe and feel they belong, and where communities can thrive.

wellbeing and health and safety

“We not only seek to deliver safe environments in our common areas, we also collaborate with our tenants to promote health and safety within their stores, offices and work areas.”



LOUISE HUNT
HEALTH AND SAFETY COORDINATOR

we have a duty of care for the safety and wellbeing of our people and the New Zealand community; it's a duty of care we take very seriously

People save people. So while our property assets are built to high standards, with safety in mind, we also actively engage our people, our customers, our service providers and contractors, and our visitors to be health and safety aware.

strong governance oversight to manage health and safety

Health and safety is fully integrated into our governance and management practices. In step with the seriousness with which we take our role in this matter, our Board has full oversight of our health and safety policy, programmes and incidents, with reporting provided to each board meeting by our Health and Safety Leadership Committee.

key focus areas

People save people. We take this to heart, which is why we believe that health and safety is everyone's concern. We look to advance our health and safety practice by everyone at Kiwi Property striving to deliver healthy and injury-free places of work.

Key risk areas in our workplaces and across our assets include:

- working at height
- electrical works, and
- asbestos management.



For further information on our risk management framework and health and safety management, refer to our FY19 Corporate Governance Statement that is available on our website, kp.co.nz/about-us/corporate-governance

we have achieved our zero employee 'notifiable injury and illness' target since we set the target in 2015

targets and risk management

In 2015, we set ourselves a zero employee 'notifiable injury and illness' target. We have achieved this standard in every year since.

As a responsible landlord, we are also focused on reducing notifiable injury and illness for our contractors and visitors to our sites.

To achieve our aims, we work diligently to mitigate our health and safety risks, seeking to improve our workplaces wherever possible, with active monitoring, management and reporting being undertaken by our Health and Safety Leadership Committee.

A full risk assessment and review is conducted annually, covering all existing and any new buildings or operations.

Near miss incidents are investigated, with practical and appropriate actions taken to reduce risks.

collaboration

All employees and contractors are inducted into the Health and Safety Management System. This ensures they understand their obligations, the risks, how we manage those risks and what the processes are to report issues in a timely manner.

management structure

We have a Health and Safety Leadership Committee, made up of senior leaders, which is responsible for:

- reviewing the effectiveness of policies and processes and proposing revisions to address concerns
- reviewing progress against specific objectives, and
- reviewing key incidents to ensure appropriate responses, including wider Company responses if necessary.

The Committee meets bi-monthly. We offer our employees the opportunity to participate in the Health and Safety Representatives Committee. This Committee assists with employee engagement and participation in health and safety.

our report card for FY19

number of employee health and safety serious incidents	1
working hours	~ 298,000
% of sites covered by the certified Health and Safety Management System	100%
number of courses undertaken with external organisations on health and safety standards in the year ended 31 March 2019	42

All employees can provide feedback on health and safety matters to their local Health and Safety Representative who is also tasked with encouraging our people to speak up on health and safety matters at regular team meetings or through communication forums such as our internal social platform or via email.

Employee feedback is channelled back through the Health and Safety Representatives to the Health and Safety Committee and subsequently the Health and Safety Leadership Committee. This facilitates communication on health and safety matters from our people to our leaders.

performance benchmarking

We have benchmarked ourselves against the Business Leaders Health and Safety Forum (BLHSF). BLHSF reported that the industry average for employee recordable injuries, per 200,000 work hours, was 3.13 for 2017. With our zero employee 'notifiable injury and illness' incidents record, our equivalent metric is 0.0. BLHSF reported contractor related injuries

were 1.95 for 2017. This compares to our incident rate from our development activities of 1.6.

Our Health and Safety Management Systems for all our sites have been independently reviewed by a number of health and safety specialists, and we currently enjoy an ACC 'excellent' experience rating.

employee incidents

During FY19, we recorded one serious incident (what we regard as a serious incident is beyond WorkSafe notifiable standards). This incident involved a Kiwi Property employee who lacerated a finger while putting away a trailer in a storage area, requiring six stitches. The employee has made a full recovery and has returned to work. Improved safety equipment is now provided.

The matter was investigated, and the findings reported to our Health and Safety Leadership Committee and Board.

Kiwi Property has a comprehensive approach, which includes working with third party providers, to support employees returning to work after an injury.

Kiwi Property has never had an employee or contractor fatality at any of its sites.

other incidents

Kiwi Property also records and investigates all incidents or reported near misses regarding contractors and members of the public passing through our sites.

In our portfolio, there were 85 incidents we would regard as 'serious', relating to customers, visitors or contractors, of which 17 were 'notifiable' incidents in the reporting period.

This is set against a background of more than 48 million customers visiting our shopping centres annually.

accessibility and inclusiveness

we see our role as providing places of inclusiveness; spaces where people are safe and feel they belong

We do this through thoughtful development; ensuring people of all ages, genders, abilities and cultures have an equal opportunity to access our facilities.

we provide access to all

It is imperative to us that everyone enjoys our assets with the same convenience as each other.

So beyond just complying with the requirements of the Building Act 2004, we partnered with Be. Accessible to have our mixed-use and retail centres (excluding lifestyle centres) assessed to ensure they are designed for accessibility.

From this initial assessment, we have achieved bronze, silver and gold ratings across our portfolio. We are determined to do better, with the goal of achieving at least one platinum-rated centre.

At a minimum our properties include accessible:

- routes
- carparks
- footpaths, ramps and landings
- entrances, corridors, doorways and doors

- stairs
- lifts
- public facilities
- places of assembly, entertainment and recreation
- outdoor public areas, and
- public transport.



supporting our communities

our success is linked to the success of the local communities in which we operate

For us, it makes good business and social sense to play an active role in supporting New Zealand to prosper.

We do this by:

- creating vibrant places to work, shop, live and play
- creating a strong company culture
- operating ethically with high levels of governance
- supporting employment and education in our industry, and
- giving back to our communities through volunteering, sponsorships and helping community groups to flourish.

volunteering

Our volunteering programme provides each employee with one day of paid leave each year to enable them to participate in volunteering.

Over the year to March 2019, we focused our volunteering efforts on the overarching theme of children and young people with the future in mind.

To create a brighter future for children and youth, our people provided community services such as:

- painting, gardening, maintenance and meal preparation for Ronald McDonald House, and
- food and toy donations to the Auckland City Mission Christmas Appeal.

sponsorship

At a corporate level, we provide sponsorship to foster diversity within the property industry.

The Company is a key scholarship partner of Keystone Trust — a charitable trust that gives students a hand up into property related tertiary studies to further their education in property industry-related fields.

Additionally, this year we provided the inaugural scholarship for Māori and Pasifika students embarking on tertiary study in property.

As part of this scholarship, Kiwi Property provides, in addition to financial support, a dedicated mentor to assist with the recipient's pastoral care.

The total sponsorship value provided to Keystone Trust during the year was \$12,500.

community experiences

Our mixed-use and retail centres touch the lives of millions of visitors every year. As local gathering places, our centres have an important role to play in strengthening local communities.

As a result, we support more than 50 grassroots initiatives that promote the provision of local employment, wellbeing and social engagement.

Some great examples include:

- KiwiFit – a safe, all weather community exercise group
- KiwiBubs – a free club created to help Kiwi parents find support, practical advice and friendship
- free childcare for 0-5 year olds for two hours (at selected centres)
- Kiwi Property hosted Christmas gift wrapping, from which we directed the \$86,500 of gold coin donations to Dementia Auckland, Volunteer Waikato, The Papapioea Rose City and Heartland Lions and Papanui Rotary
- recognising students doing exceptional work in their community through the 'My Future' programme
- 'The Big Hoot' – a public arts programme supporting the Child Cancer Foundation
- 'Match Hero' – supporting youth sport in select regions, and
- 'Love my Manawatu', supporting the arts and community engagement.

We also regularly support our community by:

- providing space in our mixed-use and retail centres for Justice of the Peace and events run by New Zealand Police, Fire Emergency New Zealand and other community organisations
- providing park-and-ride facilities to local events
- allowing our mixed-use and retail centres to be used for training for assistance dogs and New Zealand Police dogs, and
- providing gift cards for local sports or hobby clubs for player of the day or giveaways.



1. Match Hero, Northlands, Christchurch
2. Christmas gift wrapping at The Base, Hamilton
3. Volunteering at Ronald McDonald House, Auckland
4. KiwiFit at Centre Place, Hamilton
5. My Future programme presentation at Sylvia Park, Auckland
6. The Big Hoot at LynnMall, Auckland

people

“Diversity of thought, experience, gender, ethnicity and backgrounds makes us who we are – united as one team.”



CLIVE MACKENZIE
CHIEF EXECUTIVE OFFICER

we have a vibrant culture, focused on excellence

The people component of our sustainability programme focuses on our employees, customers, visitors, suppliers and communities, ensuring we provide environments where people may flourish. As an employer, we do this by promoting diversity, ensuring we adhere to best practice labour standards, while providing appropriate training, cultural awareness and wellbeing programmes.

we comply with labour standards

Kiwi Property complies with all New Zealand labour laws, which align with International Labour Organisation (ILO) standards regarding:

- freedom of association
- collective bargaining
- prevention of forced labour
- prevention of child labour
- equal opportunity and treatment, and
- elimination of excessive working hours.

Kiwi Property has a Diversity and Equal Employment Opportunity Policy. Kiwi Property does not pay below the minimum wage for any positions. We review employee remuneration on an annual basis to ensure that our people are paid fairly and competitively for the work they are performing.

our report card for FY19

- all employees are on individual agreements
- Kiwi Property has had no employment-related findings or fines against it, and
- there have been zero incidents reported of non-compliance with our Diversity and Equal Employment Opportunity Policy.

our employee agreements

	no.	%
employees on full-time 40-hour week employment agreements	128	77
employees on part-time employment agreements	38	23
total employees (permanent employees)	166	100
contractors	1	
casual employees (current contracts as at 31 March 2019)	121	
full-time equivalent employee turnover		22

individual training and development is provided for each employee to upskill in areas that benefit their work, creating both individual and team capability

we provide a flexible workplace, focused on wellbeing

We recognise each of our employees has work-life demands unique to them, which is why we promote a flexible workplace.

Our Flexible Working Arrangement Policy and our wellbeing initiatives include:

- flexible working options
- flexible carparking
- remote systems access
- Employee Assistance Programme (EAP)
- Southern Cross health care at preferential rates
- on-site hearing tests, melanoma checks and flu vaccinations
- long service leave
- volunteering leave
- yoga at work
- group fitness initiatives
- learning and development opportunities
- tertiary study support
- purchased annual leave.
- extended unpaid leave, and

- paid leave over the legislative requirements for parental leave; one weeks paid leave for primary caregivers and partners.

we train with purpose

It's important to us that our people are not only engaged and happy but can also further their careers through exposure to on-the-job training, education and experience.

Our model for this is set out below:

- 70% of development via experience, day-to-day tasks, challenges and practice
- 20% of development via exposure to others, work situations and collaboration, and

- 10% of development via education and structured learning.

To ensure our people are engaged and career growth occurs, each person is encouraged to have a structured individual learning and development plan.

For our leaders, we provide additional training to equip them with the necessary skills to lead our people. Sixty of our people leaders and managers participated in leadership training during the 2019 financial year.

The total spend on employee development training during the 2019 financial year was \$167,000.



Kiwi Property's Auckland Marathon team

emerging talent

Growing and developing talent is critical to our future success. We're committed to increasing the representation of women in senior roles in our business. The following stories about Caitlin Hargesheimer, Tyler Ely-Tuhimata and Helena Bui are just three examples of career progression within Kiwi Property.

The career development approaches for our people are tailored to their individual needs and those of the business. We have been working to encourage diversity of experience in our team.

Caitlin Hargesheimer's appointment to the Centre Manager role at LynnMall in 2018 is a great example of where we have attracted talent from outside of core property careers. Caitlin's prior career experience was primarily in the retail sector. For Kiwi Property, attracting talent with strong customer and retail capability was key to building diversity in our asset management team.

Developing our people through new role opportunities is a critical way we grow and develop capability in our business.

Tyler Ely-Tuhimata's career journey with Kiwi Property started in a Customer Service Representative role at Sylvia Park. Tyler has now moved into an administration role within the centre management team at Sylvia Park and is learning new skills.

Helena Bui's career growth has seen her move from an accountant role in the team, to a management role leading a team responsible for finance systems. With a talent for systems, Helena has progressed through a variety of roles, from Systems and Property Accountant to her current role as Finance Manager - Systems, where she is developing as a people leader and is growing

new skills and capability. Helena's career growth at Kiwi Property has also been supported through our Tertiary Study Support Policy, where we contributed financial and non-financial support for Helena to achieve her CPA accreditation. The Tertiary Study Support Policy supports our people undertaking tertiary study aligned to their career path.



TYLER ELY-TUHIMATA
CENTRE ADMINISTRATOR

HELENA BUI
FINANCE MANAGER -
SYSTEMS

CAITLIN HARGESHEIMER
CENTRE MANAGER

we embrace diversity

We are committed to promoting a culture where diversity and equal employment opportunity are embraced.

We recruit and develop the best person for the job regardless of gender, age, ethnicity, religious beliefs, disability or sexual orientation. This is embedded through our Diversity and Equal Employment Opportunity Policy, which applies to all employees within Kiwi Property as well as the Board, and covers all aspects of employment.

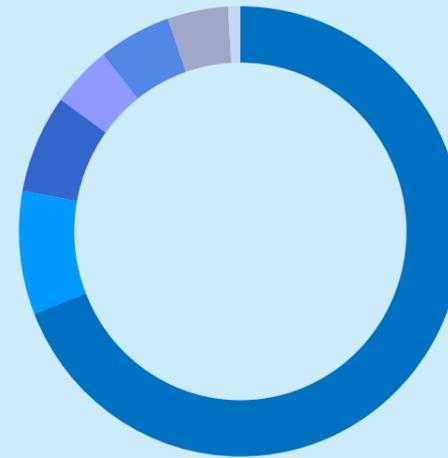
Given women make up 67% of the Company's workforce, we have placed a focus on increasing the representation of women in senior roles.

our diversity goals

Diversity objectives are in place to continue our focused work on developing a workforce that is a more reflective representation of the communities and the visitors and customers we serve.

Our objectives focus on sourcing and attracting a broader candidate talent pool and identifying alternative recruitment channels in order to attract and source a greater representation of Māori, Pacific Peoples, Asian and female candidates.

our ethnic diversity¹



European (including New Zealander)	78%
Māori	10%
Asian	8%
Middle Eastern/Latin American/African	6%
Pacific Peoples	5%
not disclosed	5%
other	1%

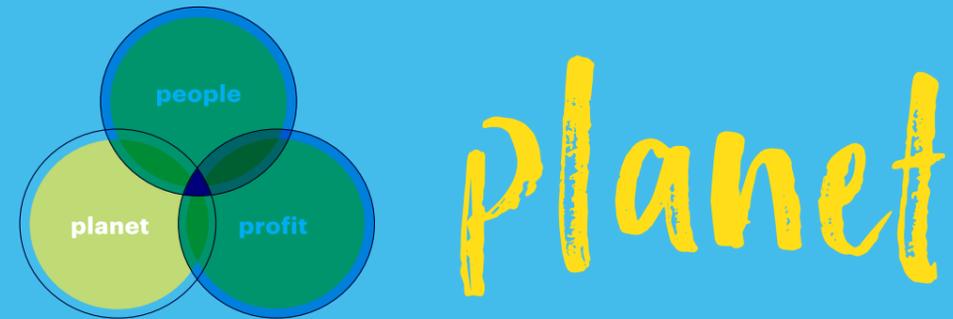
our gender diversity

	male	female
directors	67%	33%
executive team	71%	29%
other executives	67%	33%
senior managers	48%	52%
other managers	42%	58%
non managers	19%	81%
total	33%	67%

1. The data adds to greater than 100% as some employees identify with more than one ethnic group.



EV charging station at LynnMall, Auckland



we are focused on reducing our footprint

From our corporate head office to our portfolio of mixed-use, retail and office buildings, for almost two decades we have been committed to finding better ways to reduce our environmental footprint.

It is this focus that continues to deliver us rewards, year after year.

Our performance is measured in a number of ways, across water, waste, energy and carbon.

We share some of our programmes and successes throughout this section.

summary of our recent successes

we are being kind to our planet

our environmental programme continues to reap significant rewards

Compared with our 2012 base year¹ (for audited carbon reporting) we have made the following savings:



energy consumption
reduced by 4,800,000 kWh

enough to supply

598 typical homes



waste consumption
286 tonnes diverted from landfill

equivalent to filling

468 jumbo bins



water consumption
reduced by 27.8 million litres

enough to fill

515 domestic swimming pools



1. The data above and on pages 28-36 is for the period(s) ended 31 December and is expressed for like-for-like properties within our portfolio.

our other initiatives

we are strong supporters of initiatives that reduce our environmental footprint



EV and e-bike chargers

We now offer 33 free electric vehicle charging stations across five of our mixed-use assets and retail centres, including eight Tesla supercharger stations which have been installed at The Base, Hamilton and The Plaza, Palmerston North.

During the year, we installed 10 electric bike charging stations at LynnMall. This initiative complements the e-bike chargers provided within the end-of-trip facilities at many of our office assets.

our buildings' energy ratings

We have committed to achieving a NABERSNZ energy rating of at least 4 star 'excellent performance' on all our office buildings by 2020. We're well on our way to achieving this.

Across our existing office assets, we have achieved the following NABERSNZ ratings:

The Aurora Centre, Wellington (expired)	5.5 stars
Vero Centre, Auckland	4.5 stars
ASB North Wharf, Auckland (expired)	4.5 stars
44 The Terrace, Wellington	4 stars

We are currently seeking to renew our energy ratings for The Aurora Centre and ASB North Wharf.

Our brand new office building, ANZ Raranga at Sylvia Park, Auckland, will be rated late-2020 once we have the required 12 months of post occupancy data.



e-bike charging stations – supporting early adopters

Changes in technology have delivered new forms of transportation that can be kinder to the environment and human wellbeing.

In a New Zealand first for shopping centres, we were pleased in 2019 to support early adopters of e-bike technology, installing 10 charging stations at our LynnMall shopping centre.

E-bikes have further enhanced cycling as a viable transportation alternative and, as Aucklanders know only too well, can help overcome the challenges that come with living in hilly environments. E-bikes have the potential to reduce car usage, and encourage people to choose healthier transportation options.

The e-bike chargers are a great complement to the four electric vehicle (EV) charging stations we also offer free to our customers at LynnMall. These EV chargers are used on average 26 times every day of the year.



e-bike charging stations at LynnMall, Auckland

solar power – avid supporters of renewable energy



solar panels at Sylvia Park, Auckland

Kiwi Property is an avid supporter of renewable energy and, thanks to a ground-breaking agreement with Meridian Energy, we are well on our way to becoming New Zealand's largest commercial user of solar energy.

At Northlands in Christchurch, crews are busy installing the second rooftop solar installation in our portfolio, delivering a 175kW array that will power a significant portion of that centre's base building energy requirements. The array itself is about the size of six tennis courts.

Under our agreement with Meridian, we also intend to add new solar arrays to the rooftops at LynnMall and The Plaza.

Meridian will invest in the upfront system cost and then charge Kiwi Property for the solar power generated under an innovative Power Purchase Agreement (PPA) solution.

Ownership of each array will pass to Kiwi Property at the end of the PPA term, which is anticipated to be the mid-point of the system's lifecycle.

Once the programme is complete, it is expected that Kiwi Property's combined solar power capacity will exceed one megawatt – enough to power 120 average New Zealand homes for a year – making us the largest commercial user of solar energy in New Zealand.

This bold next step in our solar programme follows the installation in 2015 of what was then New Zealand's largest photo-voltaic system for producing solar power on the roof of Sylvia Park, producing 448,000 kWh of electricity and saving 45 tCO₂e.

This system now produces 18% of Sylvia Park's base building energy requirements.

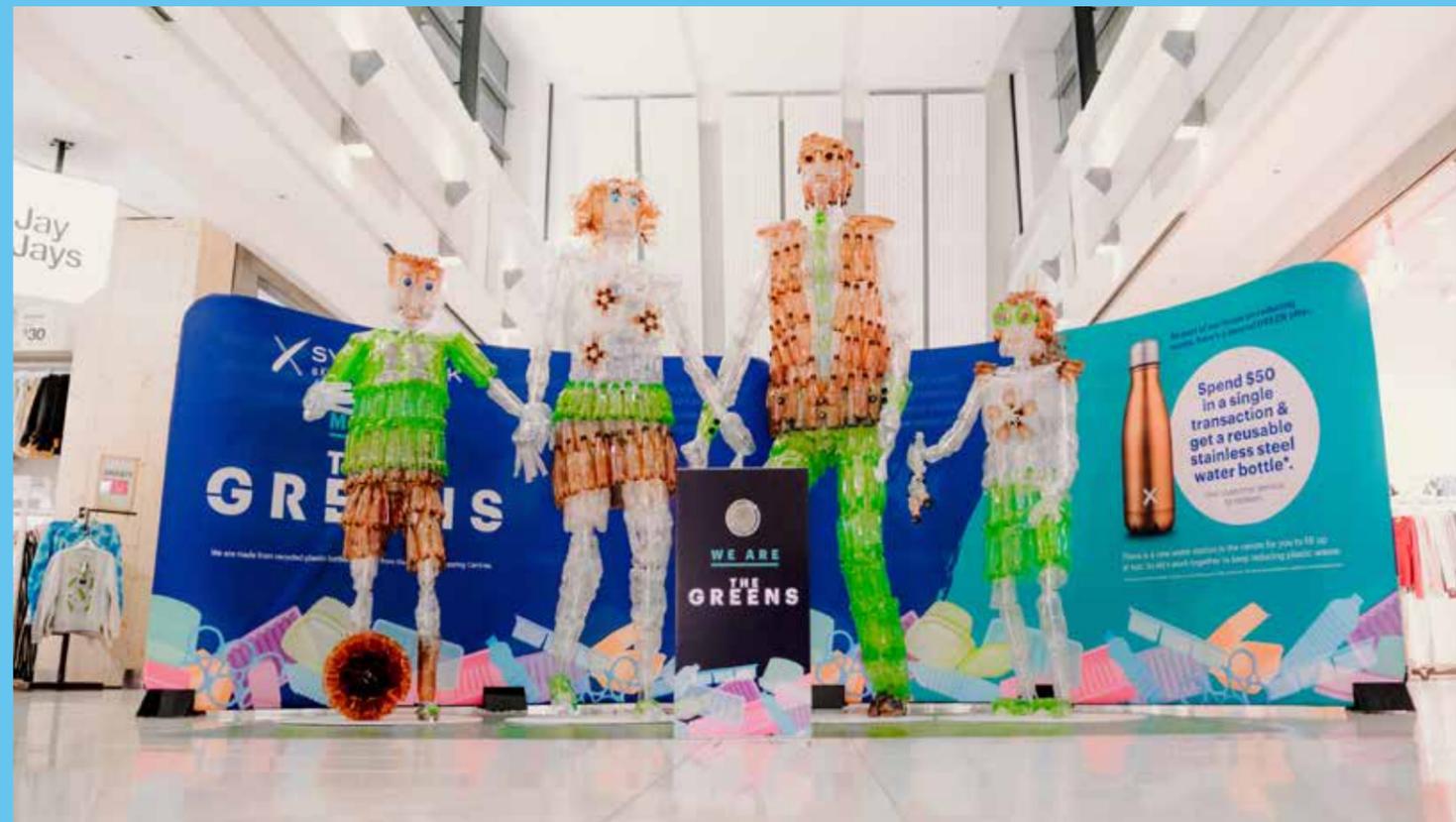
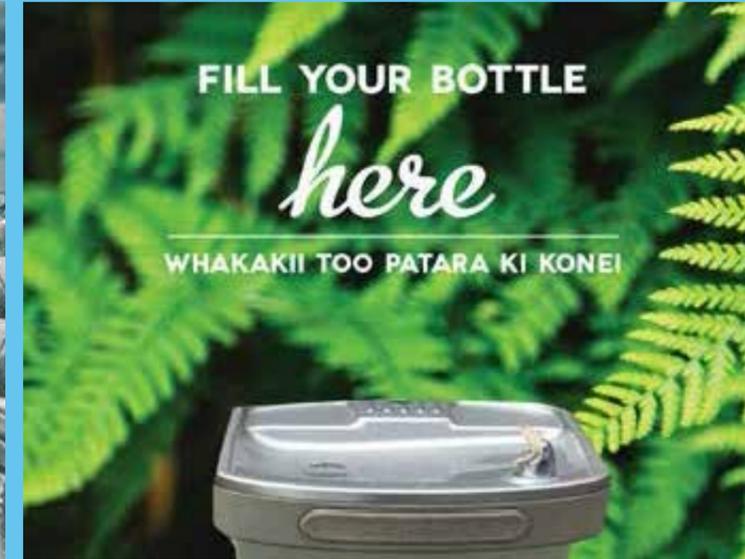
Upon completion of our rooftop installations, we anticipate saving over 128 tonnes of carbon dioxide equivalents each year. This will reduce our overall carbon footprint by 3.2% annually, while providing nearly 8% of our total portfolio base building energy requirements through solar energy.

free water filling stations – being kind to the environment

We love sharing our sustainability ideas with Kiwis. In 2018, we introduced New Zealand shoppers to 'The Greens' – a family made from recycled plastic bottles.

The Greens were a great way for us to demonstrate our collective need to reduce environmental waste by avoiding plastics whenever possible. The campaign, which coincided with the installation of free water filling stations in our shopping centres, was well received.

Since the start of the campaign in late 2018, our water filling stations have been used in excess of 87,000 times. That's 87,000 plastic bottles saved from potentially making their way into our oceans and landfill.



The Greens

our environmental programme

to ensure we understand, manage and reduce our environmental impact, we set reduction targets and manage, measure and report our results

we actively manage our property portfolio

Our customers, visitors and buildings rely on the sustainable supply of energy and water.

To ensure certainty of service, we have a continuous improvement programme that focuses on energy and water. This now includes installing, where possible, photo-voltaics to create sustainable energy and rainwater storage to improve building resilience.

Our integrated environmental management system and programme has been in place for more than 16 years, and is led by the National Facilities Manager. The programme covers all of Kiwi Property's operations and properties focusing on reducing carbon and waste outputs, and energy and water consumption.

As part of the programme, we set annual targets that are broken down to an individual asset level. Each Facilities Manager is responsible for achieving the annual targets for their asset, and must report on progress monthly.

Kiwi Property has not received any environmental fines in this reporting period.

we are responding to climate change

In 2012, we concluded a climate change risk and opportunity analysis from an asset level through to a strategic level.

This led to a formalised carbon reduction strategy.

In 2018, a further in-depth climate change risk and opportunity review was conducted using four defined climate change scenarios:

- Representative Concentration Pathway (RPC) 2.6
- RPC 4.5
- RPC 6.0, and
- RPC 8.5.

Under each scenario, risks and opportunities were broadly identified and considered over a 50-year plus timeframe.

These were then used to inform our climate change programme and targets.



Our climate change risk assessment identified there was low to medium risk from the physical impacts of climate change to our property assets.

These risks are addressed in our strategy, which ensures adaption to the impacts of climate change through a range of business programmes such as:

- all new office builds targeting 5 Star Green Star ratings
- continuous improvement programmes to reduce energy, waste and water usage
- supporting public transport, and
- increasing solar electricity generation and water collection.

A significant short-term risk identified was the increasing importance some investors are placing on carbon management performance when selecting stocks.

We are mitigating this risk by demonstrating leadership in carbon management.

This year, we joined over 60 leading New Zealand companies on the Climate Leaders Coalition. This group, which has now grown to over 80 companies, represents over 50% of New Zealand's carbon footprint and has committed to transitioning New Zealand to a low carbon economy.

As a Company, we have already set ourselves a target based on climate science to reduce our own carbon footprint by 55% (from 2012 levels) by 2050 (to date we have reduced our carbon footprint by a market-leading 47%).

We continue to be a leading force in this space, this year achieving the equal highest rating in New Zealand for the Carbon Disclosure Project (CDP), with a score of 'B', alongside a number of other major New Zealand entities.





Our climate change strategy to address risks and reduce our emissions is included in the sustainability strategy, which is reviewed and approved by the Board annually. Our progress is reported to the Board at each board meeting, and to our investors through our annual reporting materials and this Sustainability Report.

Most of our costs in managing climate change are incorporated into the operational budget. The need to reduce our gas and electricity consumption is considered when purchasing new equipment. For specific climate change-related expenditure, the additional costs incurred are:

- the cost of achieving a 5 Star Green Star rating on a new office building is estimated to be \$130,000 (based on our experience) in consultancy fees and \$30,000 in accreditation

- the cost of securing NABERSNZ ratings for all eligible buildings is estimated to be \$5,000 per building per year, and
- the cost of carbon reporting and compliance is estimated to be \$40,000 (in our experience) for external consultants and auditors.

Kiwi Property also supports the efforts of other businesses and organisations to reduce climate change.

In the past year, we have demonstrated this by our active participation in the recently formed Climate Change Coalition, the members of which now represent over 50% of New Zealand's carbon emissions.

our carbon footprint

in the past six years, we have reduced our carbon footprint by 47%



we are reducing our carbon footprint

We've been measuring, managing and reporting on our carbon footprint since 2006. In 2012, and annually thereafter, our carbon footprint has been independently audited to Carbon Warranty and ISO14064-1 standard.

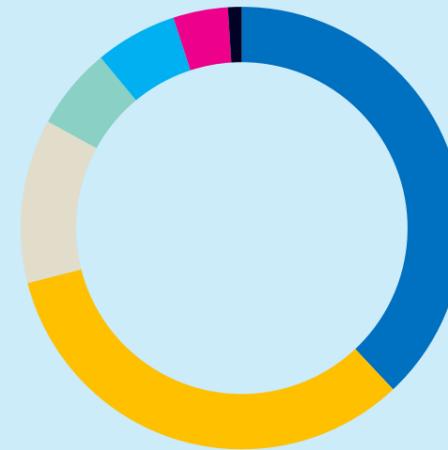
Eighty three percent of our carbon footprint is made up of electricity, waste and gas, for which we have active reduction programmes in place.

Our carbon footprint is primarily from the operation of our office buildings 28% and our retail centres 66%, with the remaining 6% from corporate activities.

To view our carbon footprint in more detail, see our Greenhouse Gas Inventory Disclosure Document under 'key documents' in the sustainability section of our website, kp.co.nz/sustainability

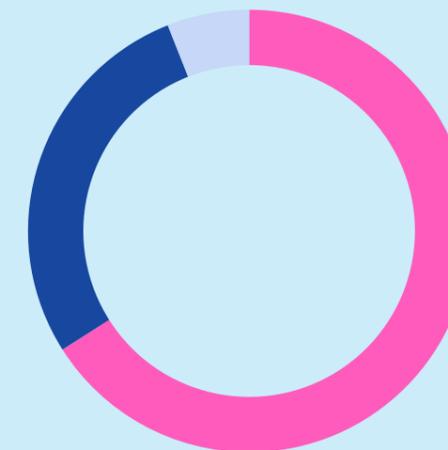
1. Carbon data has not previously been collated in our new asset classifications. Reclassification of data will be made going forward.

our carbon footprint emissions profile



electricity - location	38%
waste	33%
gas	12%
air travel	6%
hydro fluorocarbon	6%
electricity line loss	4%
natural gas line loss	1%

our spatial carbon footprint¹

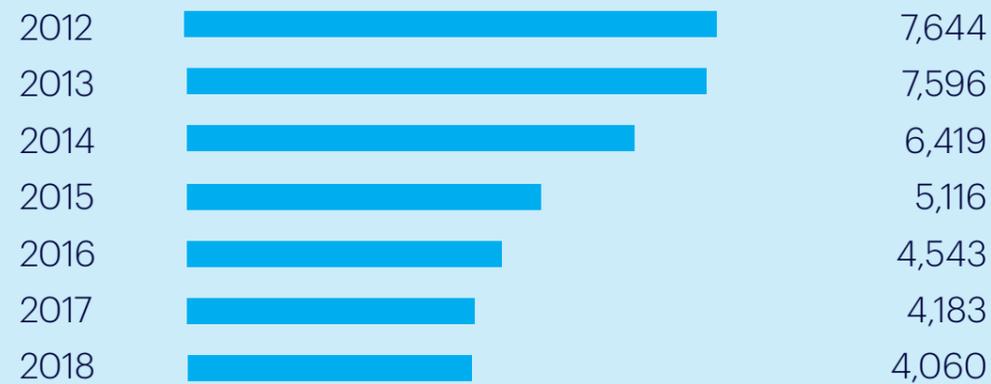


retail	66%
office	28%
corporate activities	6%

In the past six years, we have reduced our carbon footprint by 47% (including a 3% reduction in the last year).

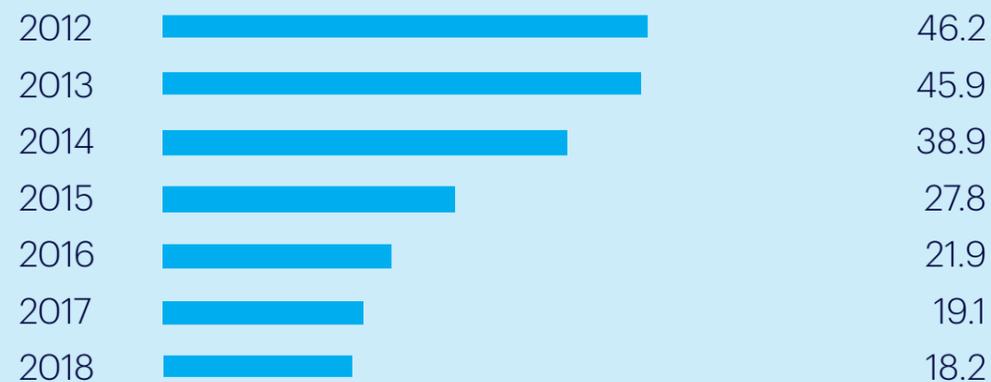
carbon footprint

tCO₂e



carbon intensity

tCO₂e per NLA.hours¹



1. NLA.hours is net lettable area multiplied by annual hours of operation.

The following emission reduction targets were set for the reporting period:

target	result
reduce electricity use by 1.3% – 2.6%	Our electricity efficiency programme continues to forge ahead, delivering a 3.3% saving on the prior year through a wide variety of projects encompassing equipment upgrade work and the continuous fine-tuning of operations, as well as timely maintenance. Two specific projects were the LynnMall chiller replacement project noted on page 33 and the continuation of our LED replacement project. As a consequence of the LED programme, now in its third year, over 11,000 fittings have been replaced with an expected annual energy saving of over 3.5 million kWh and approximately 358 tCO ₂ e.
reduce gas use by 1.3% – 2.6%	Our gas efficiency programme also continues to forge ahead, delivering a 6% saving on the previous year through a wide variety of equipment upgrade work and the continuous fine-tuning of operations, as well as timely maintenance. A specific focus on metering, extensive leak management and efficiency has delivered 160,000 kWh reduction in gas compared to the prior year, saving over 31 tCO ₂ e in carbon emissions.



Kiwi Property does not have any operations that produce or emit Nitrogen Oxides (NOX), Sulphur Oxides (SOX) or Volatile Organic Compounds (VOC) or hazardous waste.

our emission reduction targets

In 2017, we set greenhouse gas emission reduction targets to play our part in helping keep a rise in global temperature to below 2°C.

Based on climate change science, the world needs to reduce its carbon emissions between 49% and 72% below 2010 levels to achieve a 2°C temperature change by 2050. We have set science-based targets in line with climate change science.

Our targets are to:

- reduce total greenhouse gas emissions by 36% by 2020 on 2012 base year emissions
- reduce total greenhouse gas emissions by 40% by 2025 on 2012 base year emissions, and
- reduce total greenhouse gas emissions by 55% by 2050 on 2012 base year emissions.

These targets represent a year-on-year reduction of 2.1% from 2012.

how we will get there

An annual emission reduction programme will be set to progress towards achieving these targets. This reduction plan will be broken down to set individual building targets and energy and waste reduction plans. Facilities Managers will be responsible for achieving their individual building targets and programmes.



equipment reinvestment – investing in great efficiency and great customer experiences

Operational equipment can often be the make or break of great customer experiences, none more so than the equipment that controls indoor environments.

At LynnMall, in Auckland, this year we installed the latest generation centrifugal chiller that will provide greater efficiency and plant longevity to deliver a consistent indoor climate for our visitors and customers.

In what was the culmination of a four-year project to integrate the centre's chilled water system, New Zealand's largest crane along with precision logistics and planning, were required to insert the new chiller into its final resting place.

The installation required a 12-hour road closure, four hours to get set for the lift, which in turn took 15 minutes, and then a further four hours to disassemble the crane.

Jason Happy, National Facilities Manager, said: "This was quite a feat. To manage the lift, we had to secure the largest mobile crane in New Zealand at its furthest reach. The installation crew then had to swing the entire 8.7 tonne chiller in to the side of the building without landing it on the adjacent car park deck."

The chiller replaces an old inefficient chiller, providing greater efficiency, operational resilience, and plant life.



energy savings

since our 2012 audited base year, we have saved enough energy to supply 598 typical New Zealand homes for a year



we are actively reducing the amount of energy we consume

Kiwi Property has had an energy efficiency programme in place for the past 16 years. As a result, our buildings now consume 21% less energy than they did in the 2012 audited base year.

We are committed to reducing our energy consumption to play our part in keeping the global temperature rise to below 2°C. We do this by setting annual asset-specific energy savings goals which collectively keep us on track to achieve our long-term reduction targets. To drive further energy savings we have also committed to:

- improve the energy efficiency of all our office buildings to above 4 Star NABERSNZ rating by 2020, and
- increase our use of 100% renewable power to 15% of total electricity usage by 2025.

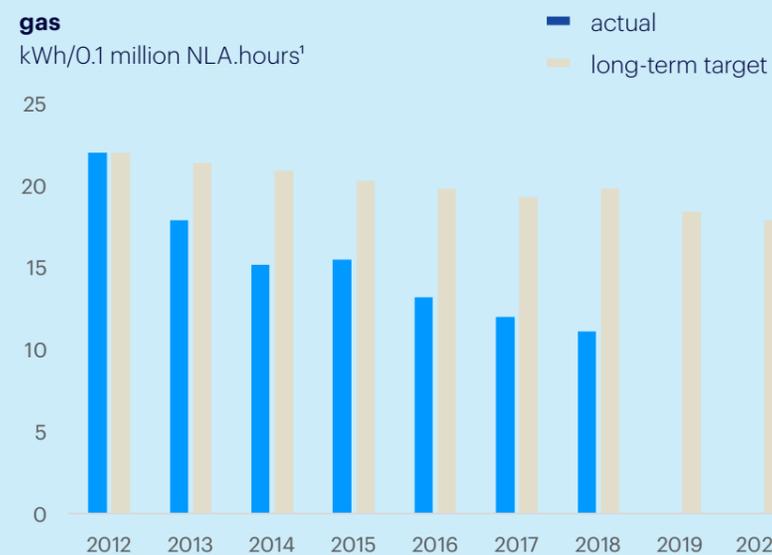
1. NLA.hours is net lettable area multiplied by annual hours of operation.

In the past six years we have reduced our energy use, on a like-for-like basis, and our targets for the next two years, are as follows:



electricity intensity target 2019 – 2020
kWh/0.1 million NLA.hours¹

2019	2020
97.5	95.1



gas intensity target 2019 – 2020
kWh/0.1 million NLA.hours¹

2019	2020
18.4	17.9

water savings

since our 2012 audited base year, the amount of water we have saved would fill 515 domestic swimming pools



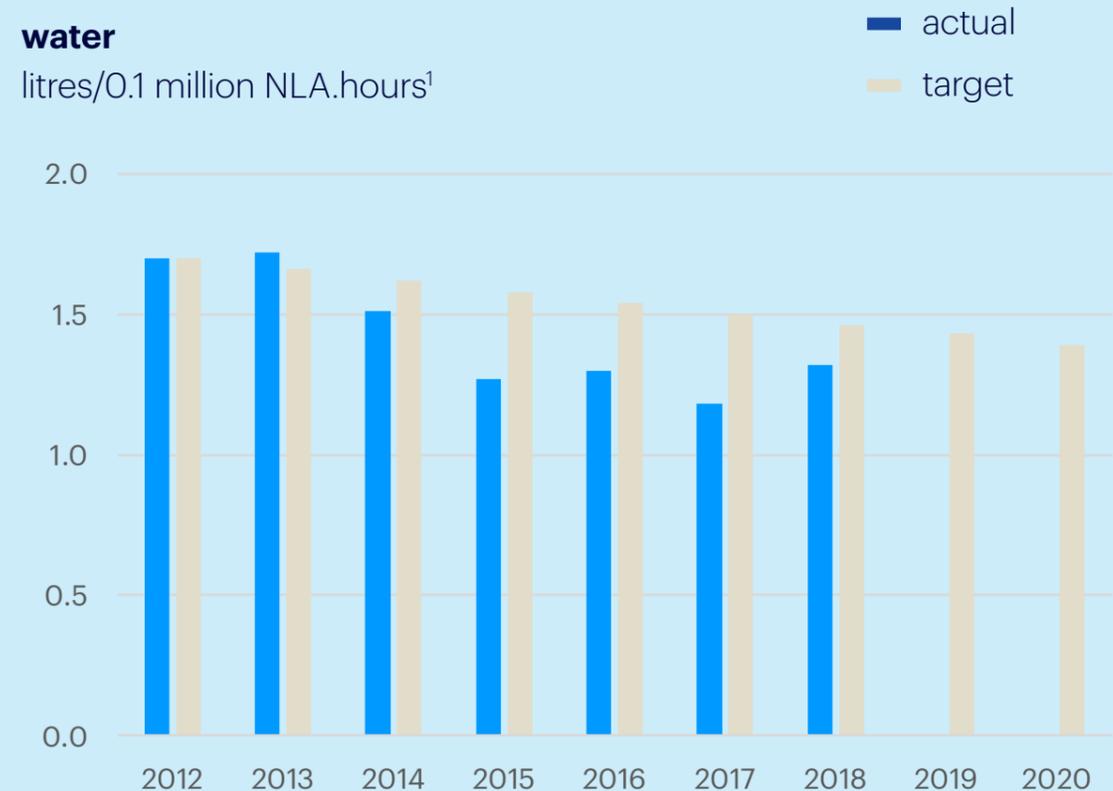
we are actively reducing the amount of water we consume

As a result of our persistent focus on water management, our buildings use 10% less water (on a like-for-like basis) than they did in our 2012 audited base year.

In New Zealand, all waste water goes to treatment ponds and waste water quantities are not recorded. It is assumed that the amount of water consumed on site compared with the amount used for flushing and washing is negligible and so the amount of water entering a building is assumed to be the same amount of waste water going out of the building for treatment.

It is for this reason we report water consumption only.

In the past six years we have reduced our water use, on a like-for-like basis, and our targets for the next two years, are as follows:



water intensity target 2019 – 2020

litres/0.1 million NLA.hours¹

2019	2020
1.43	1.39

1. NLA.hours is net lettable area multiplied by annual hours of operation.

waste reduction

since our 2012 audited base year, we have diverted enough waste from landfill to fill 468 jumbo bins



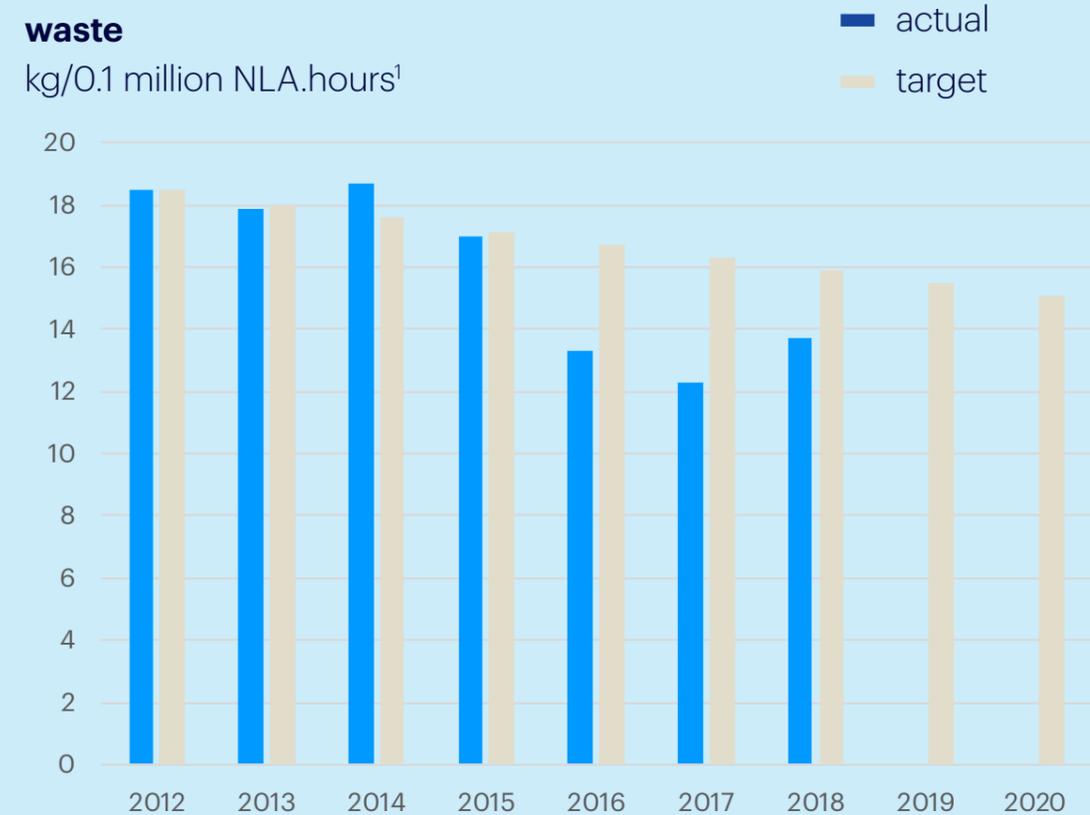
we are actively reducing pollution and diverting waste from landfill

Kiwi Property recognises the needless loss of resources that waste represents and, as such, has a waste management programme in place which strives to divert waste from landfill to areas where the resources can be reused or recovered.

Ninety percent of all waste is generated in our mixed-use and retail centres, primarily by our visitors and customers. Our waste programmes work closely with our visitors and customers to increase the use of the recycling facilities we provide.

As a result of our persistent focus on recycling, our buildings now send 9% less waste to landfill than they did in our 2012 audited base year. This equates to a reduction of 268 tonnes per annum which is enough to fill 468 jumbo bins and represents a reduction of 126 tCO₂e per annum.

In the past six years we have reduced our waste to landfill, on a like-for-like basis, and our targets for the next two years, are as follows:



waste intensity target 2019 – 2020

kg/0.1 million NLA.hours¹

2019	2020
15.5	15.1

1. NLA.hours is net lettable area multiplied by annual hours of operation.

pollution and procurement

As part of Kiwi Property's environmental management system, we have made a commitment to work towards preventing pollution by minimising our environmental impacts and emissions and, where possible, using non-polluting alternatives.

Some of the ways we work to prevent pollution include:

- our Design and Fitout Criteria specifying low Volatile Organic Compound (VOC) finishes and furnishings
- implementation of a continuous improvement programme for the reduction of greenhouse gas emissions
- committing to reducing pollution from lighting disposal. Traditional lighting contains mercury and we have removed over 11,000 fluorescents and metal halide lights and replaced them with LEDs, which do not contain mercury. This has saved 12kg of mercury being used and disposed of over the lifetime of the LED lights, and

- applying in a first for New Zealand, innovative photo-catalyst self-cleaning coatings to ANZ Raranga's concrete façade panels, which will help reduce the effect of motorway pollutants and reduce our long-term cleaning requirements.

our suppliers

We actively engage with our suppliers to achieve better environmental outcomes from our projects. Two great examples of this are the partnerships we formed with ECOlight to deliver our LED light replacement programme and with ECOtricity to deliver 100% renewable and carbon neutral electricity programmes.

For other suppliers, we have a strategy to assess the full-life cost when procuring assets. When we consider the purchase of an asset, suppliers are asked to provide information on the cost of usage and disposal. This ensures we procure the most efficient

assets, supporting our energy reduction targets. This procurement methodology also ensures assets last longer, requiring less capital outlay over time, that in turn reduces operational costs.

It also provides a clear message to our suppliers that we are not only interested in the initial cost of the asset, but rather the full cost, generally resulting in a higher quality and better performing asset.

supporting our customers

As a leading property company in New Zealand, we utilise the knowledge we have gained to educate our customers to minimise their own environmental impacts through Sustainability Design Guidelines in our Fitout Manuals.

As a result, we have recorded a dramatic improvement in our customers' electricity efficiency, leading to a 51% reduction in carbon emissions over the past six years.

Further, to support our own resource consumption reductions, smart meters are being progressively installed throughout the portfolio in partnership with registered meter owners, in accordance with industry regulations. These, along with Kiwi Property's own metering, will support our Facilities Managers to proactively manage the efficiency of our buildings.



we support organisations that are committed to sustainability

Property Council New Zealand

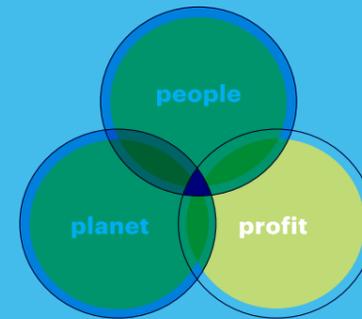
- Our GM Property Investment is the President of the Property Council New Zealand, Auckland Branch
- Our GM People and Communications sits on the Property Council New Zealand Diversity Committee

Facilities Management Association of New Zealand (FMANZ) Standards Committee

- Our National Facilities Manager chaired the FMANZ Standards Committee until early 2019

New Zealand Green Building Council (NZGBC)

- Kiwi Property has been a member of NZGBC since it started in 2005



profit

delivering sustainable returns by creating exceptional experiences

Long before Green Star rating tools were available in New Zealand, Kiwi Property deployed best-in-class sustainable design principles.

In 2005, when we built Sylvia Park, sustainable design was one of the eight guiding principles we initiated, which drove a raft of sustainable outcomes. We even built a railway station to ensure Aucklanders could travel to Sylvia Park by train.

By building assets that remain relevant, attractive and focus on endurance, we can deliver on our objective of providing our investors with long-term sustainable returns.

Sustainability is integrated into our buildings through the physical structure and footprint of our buildings, and how they operate. Given our properties are long-term investments, we seek to ensure they are resilient and fit for purpose now and into the future. By continuously monitoring and adapting to technical, societal and environmental trends, our properties continue to evolve and stay relevant.

designed for better – ANZ Raranga

In 2018, we opened the doors for the first time to our brand new office building at Mt Wellington, ANZ Raranga, which is integrated seamlessly into the thriving dining precinct entrance to Sylvia Park.

More than just another suburban office building, ANZ Raranga purposefully sets itself apart thanks to our use of the Green Star Framework to deliver a fully rounded approach to sustainability.

The result is a modern, efficient design that balances an excellent internal environment with energy efficient outcomes to garner a 5 Star Green Star 'New Zealand Excellence' design rating.

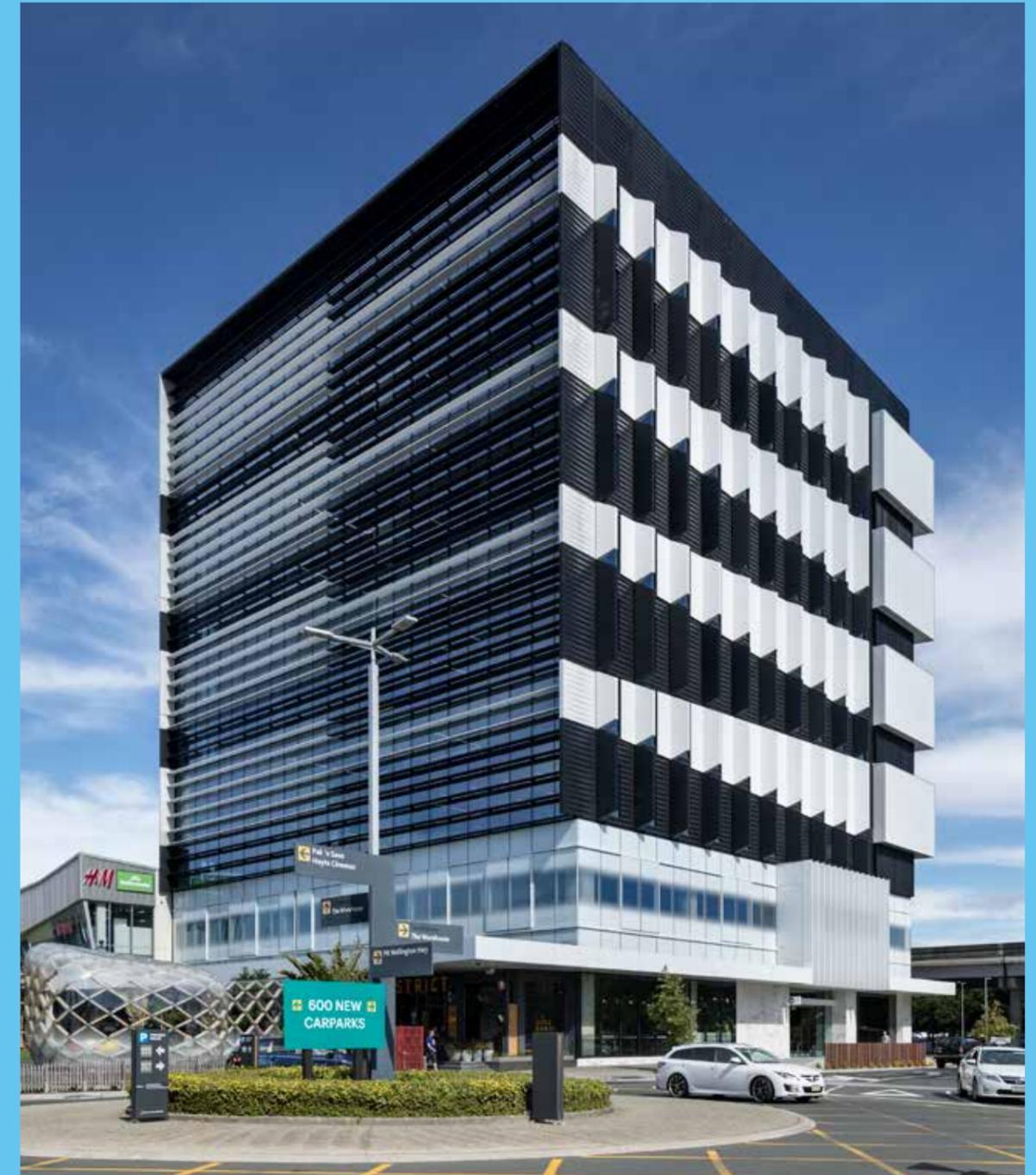
In a first for New Zealand, we applied innovative, environmentally certified, photo-catalyst self-cleaning coatings to the building's concrete façade panels, which will help reduce the effect of motorway pollutants and reduce our long-term cleaning requirements.

The building is also superbly located, being on the doorstep to New Zealand's favourite shopping centre¹ and a short walk to Sylvia Park's dedicated train station.

Our customers at ANZ Raranga will also benefit from:

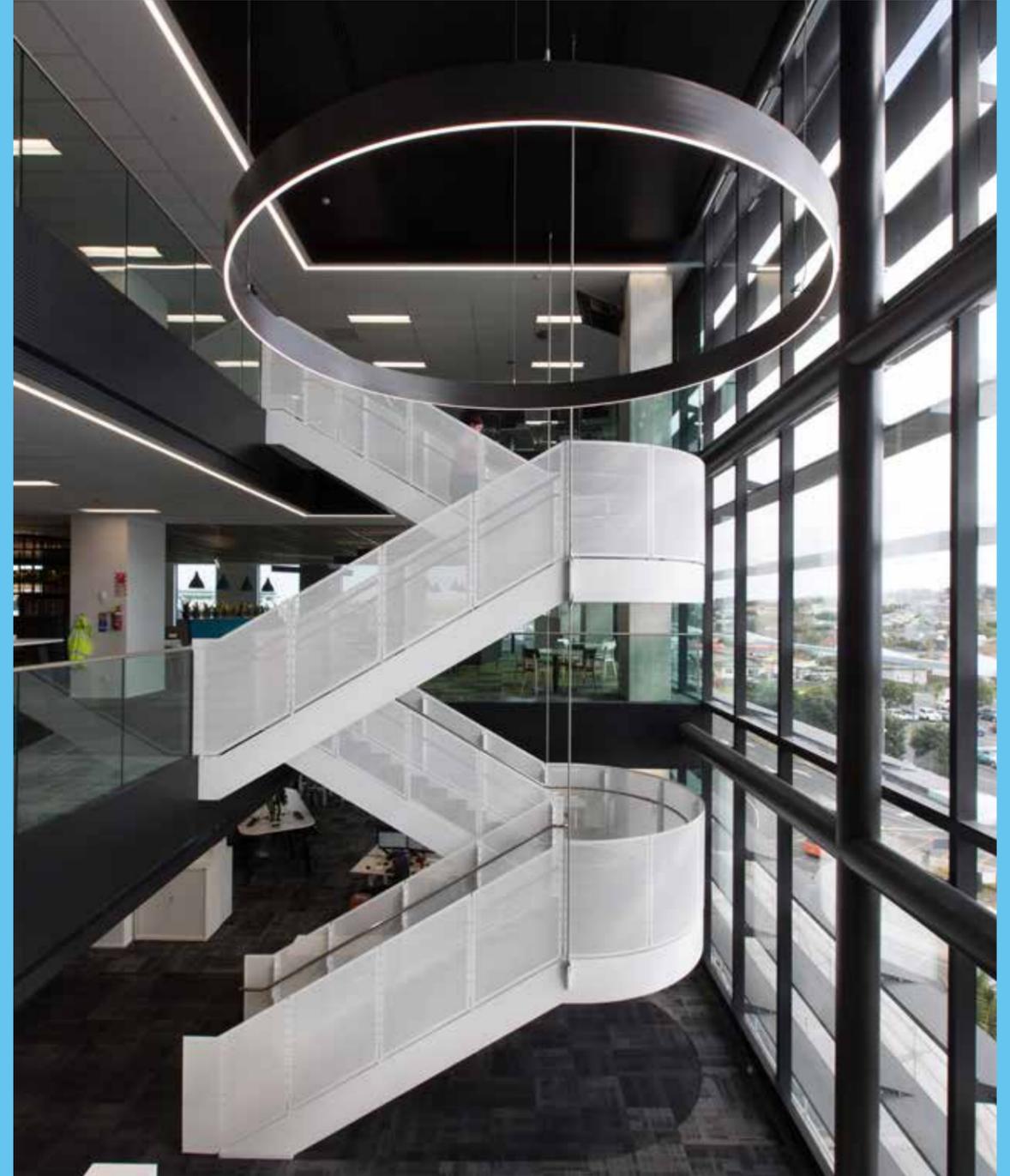
- abundant and comfortable natural light delivered through an efficient façade, providing vision glazing and high levels of shading where it is needed most. Benefits include an excellent internal environment for occupants and a reduced load on mechanical systems
- smart climate design, including a white coloured roof, which minimises heat gain through reflections and heat loss through radiation – great for winter and summer
- clever lighting, delivering excellent illumination throughout the office environment, while reducing energy consumption

1. In 2017, Sylvia Park was named New Zealand's favourite shopping centre to visit in a nationwide Nielsen survey. The survey was conducted by Nielsen from 20 February to 13 March 2017. Nielsen had a sample size of 2,507 interviews, with a predicted margin error of +/- 2.0% at the 96% confidence level.



ANZ Raranga, Sylvia Park

- a great way to arrive with high-quality end-of-trip facilities, allowing direct access to an external bike locker and office floors without the need to traverse through the building's main entrance
- plenty of water savings delivered through efficient water systems installed throughout the building, including bathroom fittings which reduce water usage and a landscape irrigation system with moisture sensors to prevent overwatering and allow efficient water distribution
- sustainable building materials which have been used throughout, including low formaldehyde engineered wood, FSC timber and environmentally certified floor coverings, and
- lower emissions, with zero ozone depletion potential (ODP) refrigerants and insulation, reduced flow to sewer as a result of water-efficient sanitary fittings, and no water-based heat rejection to eliminate the risk of legionella.



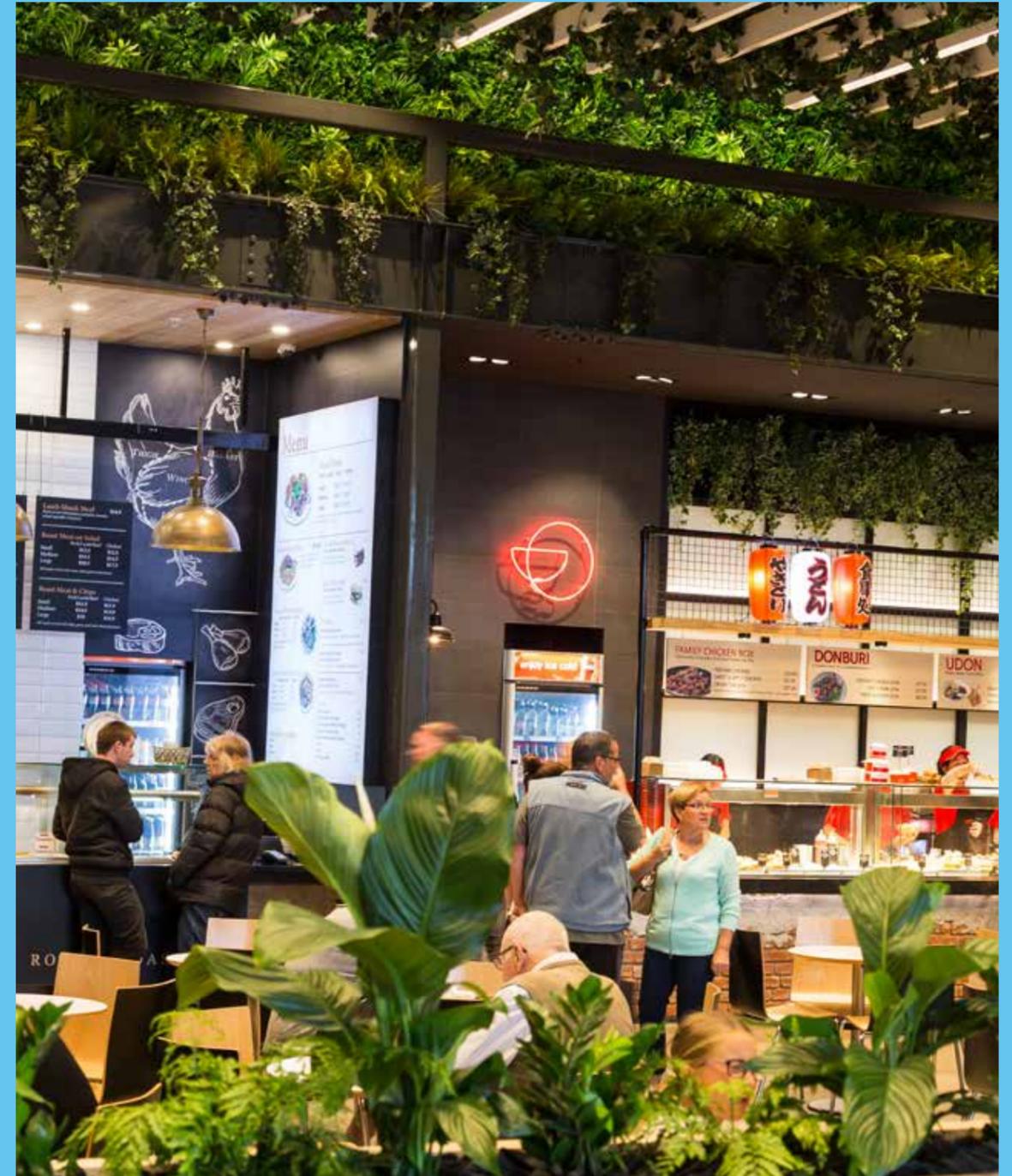
IAG's internal staircase at ANZ Raranga, Sylvia Park

designed for better – Langdons Quarter

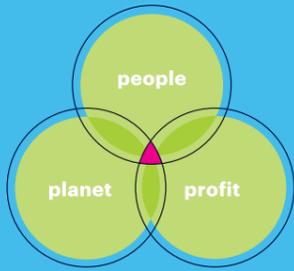
The new Langdons Quarter food and entertainment precinct in Northlands, Christchurch containing over 1,200 sqm of new food tenancies, is an example of design-led placemaking at its transformational best.

Combining concrete floors and bare structural steel with lush greenery, we've created 'botanic industrial' — a new category for retail design.

In the retail world of today there is a big push for sustainable development in the bricks and mortar space. This project embraces the structure, while creating a 21st century dining and entertainment precinct.



Langdons Quarter, Northlands



corporate governance



Kiwi Property's Board (left to right) Mary Jane Daly, Richard Didsbury, Mark Ford, Jane Freeman, Mike Steur, Mark Powell

we're committed to the highest standards of corporate governance

we have high ethical standards and integrity

The Board of Kiwi Property is responsible for, and committed to, ensuring the Company maintains best practice corporate governance structures and high ethical standards and integrity.

Our Board is committed to undertaking this role in accordance with accepted best practice. Accordingly, our corporate governance framework draws on principles, guidelines, recommendations and requirements from a range of sources including the NZX Listing Rules and NZX Corporate Governance Code. In addition, the Board has approved policies and practices which aim to reflect best practice corporate governance.

The corporate governance policies, practices and processes that Kiwi Property adopted for the year ended 31 March 2019 are set out in our FY19 Corporate Governance Statement which is available on our website.

We are also now producing this Sustainability Report demonstrating our commitment to sustainability and detailing our sustainability practices.

our board

Our Board comprises six independent directors, whose individual specialist skill sets complement one another and ensure that our Board collectively has the skills, diversity, experience and acumen to meet and discharge its duties and obligations. Kiwi Property's Board Charter prescribes that the Board chair will not also hold the position of Chief Executive Officer.

At the 2018 annual meeting, the re-election of Mike Steur and Jane Freeman as directors was supported by votes of 100.00% and 99.79% respectively and Mark Powell was elected as a director by a vote of 99.82%.

Mary Jane Daly retires by rotation and has offered herself for re-election at the 2019 annual meeting to be held on 20 June 2019.

board diversity

Kiwi Property is committed to promoting diversity in the composition of the Board. The Remuneration and Nominations Committee helps to ensure that the Board maintains an appropriate mix of skills, experience and diversity by recommending potential candidates for appointment as directors based on a range of factors including background and gender.

Our Diversity and Equal Employment Opportunity Policy stipulates that in compiling a shortlist of director candidates at least one female and one from the ethnic groups of either Māori, Asian or Pacific Peoples will be included, wherever possible.

You can view our Diversity and Equal Opportunity Policy on our website.

conflicts of interest

Our Code of Ethics makes it clear that our people are required to avoid placing themselves in a position where they have a conflict of interest, and to notify our General Counsel immediately if there is a likelihood of a conflict of interest arising.

You can view our Code of Ethics on our website.

periodic evaluation of board effectiveness

Reviews of the performance of the Board and individual directors are undertaken annually.

board committees

The Board has two standing committees to assist in the execution of its duties and allow detailed consideration of complex issues; the Audit and Risk Committee and Remuneration and Nominations Committee.

Membership of each committee is disclosed in our FY19 Corporate Governance Statement.

The charters for both committees are available on our website.

audit and risk committee

The Audit and Risk Committee assists the Board in carrying out its responsibilities under the Companies Act 1993, the Financial Markets Conduct Act 2013 and the NZX Listing Rules with respect to accounting practices, policies and controls. All members of the Audit and Risk Committee, including the Chair, are independent.

remuneration and nominations committee

The Remuneration and Nominations Committee assists the Board to ensure it has appropriate remuneration policies and practices in place to ensure the Company continues to attract and retain talent.

The Remuneration and Nominations Committee Charter requires the Committee to oversee implementation of the Company's remuneration policy and practices, which set out the process and guiding principles to be used for determining employee remuneration.

Further details about remuneration are set out in our 2019 Annual Report, which is available on our website.

All members of the Remuneration and Nominations Committee, including the Chair, are independent.

board and committee meeting attendance

The attendance of directors at Board and Committee meetings during the year is set out in our FY19 Corporate Governance Statement.

disclosure of board remuneration

Remuneration payable to our directors for the year is disclosed in our 2019 Annual Report.

Our Board Charter, which is available on our website, expressly states that any change to the fees available to be paid to our directors is subject to the approval of our shareholders.

disclosure of accounts in relevant languages

Kiwi Property is listed on the NZX, and its accounts are disclosed in English.

notification of annual meeting

Kiwi Property gives advance notification of each annual meeting in accordance with the NZX Listing Rules. The notice of meeting for the 2019 annual meeting was published 28 days before that annual meeting. The annual meeting will be held on 20 June 2019.

Further details are available on our website.

protection of minority shareholders' rights

Kiwi Property is a widely held, publicly listed company, so there is minimal risk of a blockholder ownership stake being acquired and then utilised in a manner that adversely affects the rights of our minority shareholders.

As disclosed in our 2019 Annual Report, as at 31 March 2019 our largest single shareholder held 9.93% of the Company's shares and our largest twenty shareholders collectively held 71.77% of the Company's shares.

Robust protections for minority shareholders apply under the Companies Act 1993.



Read more about our corporate governance policies and processes in our FY19 Corporate Governance Statement, which is available on our website, kp.co.nz/about-us/corporate-governance

risk management

we have a sound understanding of risk management

The Board has overall responsibility for establishing and overseeing the Company's risk management framework. The Board has established an Audit and Risk Committee with responsibilities that include risk management, compliance and financial management and control. Through that committee and its own enquiries, the Board ensures that it retains oversight in respect of compliance with the Company's Code of Ethics and the identification and management of risks to the Company (including sustainability and climate change risks).

The Company has developed a risk management framework which guides management and the Board in the identification, assessment and monitoring of new and existing risks, which include environmental, social, governance, market and financial risks.

Management regularly reports to the Audit and Risk Committee and the Board on any non-compliance with the Company's Code of Ethics as well as management's assessment and management of relevant risks. The Audit and Risk Committee is charged with overseeing the risk management framework and monitoring compliance within that framework.

The Company has adopted as its risk management framework the New Zealand and Australian Risk Management Standard (AS/NZS ISO 31000:2009). This framework provides risk management principles which the Company has also adopted.

Our FY19 Corporate Governance Statement provides more detail on our risk management frameworks, policies and procedures.

The Company has a corporate-wide approach to non-compliance, including procedures to investigate and follow up on any non-compliance identified and reporting on the number of substantiated claims or incidents of non-compliance.

audit quality and independence

Kiwi Property's External Auditor Independence Policy, which is available on our website, requires the audit partner and review partner of its external auditor to change every five years.

Note 2.2 to the financial statements on page 29 of our 2019 Annual Report details what was paid by the Company to the external auditors as audit fees and, as separate items, for other services in the year ended 31 March 2019.

code of ethics

The Company reviews its Code of Ethics on a regular basis, and at least every two years.

There is an anonymous whistle-blowing mechanism (being a free telephone hotline serviced by an independent third party, as detailed in the Company's Fraud and Corruption Policy and Code of Ethics) through which breaches of the Company's codes or policies can be reported.

anti-corruption

our commitment to countering bribery is clearly expressed

To minimise the opportunity for bribery and corruption, Kiwi Property has a detailed Corporate Governance Policy and a Code of Ethics as well as a detailed set of operational policies overseen by our Board. Our key policy documents are placed in the corporate governance section of our website, kp.co.nz/about-us/corporate-governance.

Our commitment to countering bribery is clearly expressed in our Fraud and Corruption Policy and our Gifts and Entertainment Policy, which make it clear that bribery can take many forms, such as event tickets, flights or accommodation. These policies also unequivocally communicate our zero tolerance approach to fraud and corruption, and include multiple practical examples of fraudulent and corrupt conduct. As noted on page 46 of this report, there is an anonymous

whistle-blowing mechanism through which fraud, corruption or breach of any of the Company's codes or policies can be reported.

Our Board has oversight of the Fraud and Corruption Policy. This policy sets out guiding principles to be applied by our people to ensure that the risk of fraud and corruption (including bribery) is minimised. This policy includes a framework for measuring risk in this regard, based on the likelihood of fraud or corruption being perpetrated and the consequences of such fraud or corruption. Where the residual risk is high, management monitors and mitigates the risk (including by tracking its management of the risk on the Company's risk register).

The Company periodically reminds employees of the key aspects of the Fraud and Corruption Policy.

Our people undertake regular training to help maintain high ethical standards. During the year ended 31 March 2019, this included training on ethics, cultural sensitivity, discrimination, integrity and compliance, privacy, risk management and social media in the workplace.

In the period 1 April 2018 to 31 March 2019:

- The Company made no political contributions.
- No employees were dismissed due to non-compliance with anti-corruption policies or Code of Ethics breaches.
- The Company had no fines, penalties or settlements awarded against it in relation to any corruption or governance issue.



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