

2011 divisional activity

Theme Parks

The Sustainability committee of Village Roadshow Theme Parks ('VRTP') continued its work to integrate and implement VRTP's Environmental Policy across the various businesses within VRTP, lowering VRTP's environmental footprint as well as identifying cost savings. Initiatives during the FY11 year include the 'sub-metering' of specific areas to better track and regulate electricity use by department, the development of a new contract approval process to ensure the most appropriate energy and water efficient equipment is purchased, and creating new ways to communicate and encourage recognition of the importance of sustainability issues at VRTP.

VRTP has well established policies and procedures to ensure that as plant or equipment reaches the end of its operational life, its replacement is planned with equipment that is as far as possible more energy efficient. Examples of such initiatives undertaken throughout the year include the replacement of a water chiller at Shark Bay at Sea World with a more efficient unit that is expected to use 12% less power and the on-going replacement of in-park lighting with lower power consumption equipment such as LEDs. In addition VRTP is exploring the potential to install motion detectors in the rooms at Sea World Resort and Water Park as they are progressively refurbished enabling those sensors will switch off room air-conditioning when they are unoccupied.

Going forward, and as a matter of practice, the design criteria for all building projects at VRTP will take into account high sustainability standards. This already includes energy and water efficiency benchmarks (including water consumption rates for toilets and certified "part J" energy ratings) for all building projects. In addition, VRTP's natural environment preservation processes already meet or exceed standards required by federal, state and council authorities.

Procedures also remain in place for the recycling of paper and cardboard, plastics, cans and glass, compact fluorescent light globes, green waste, lead acid batteries, copier toner cartridges, electronic office equipment, fluoro tubes and oil. VRTP continues to have a strong emphasis on compliance with all facets of its operations and businesses.

In the FY11 year VRTP has reported under a number of environmentally relevant pieces of legislation and has complied with regional and local requirements such as the storage of combustible and flammable liquids, large dangerous goods location, noise limits as per local council guidelines, Trade Waste and the safe disposal of the discharged pyrotechnic canisters.

VRTP continues to operate under the guidelines of the Queensland Water Commission's 'Water Energy Efficiency Programme' and is constantly looking for methods of reducing water usage.

During the year VRTP started the registration process with the Queensland Smart Energy Savings Program ('QSMESP') and commenced undertake a relevant energy audits of parts of VRTP's businesses. VRTP will utilise the results of these energy audits to formulate an Energy Savings Plan as required under the QSESP (Clean Energy Act 2008). An external audit of backwash wastewater was also completed and VRTP continues with its design of a suitable treatment system whilst operating under an authorised Transitional Environment Program.

As part of VRTP's long standing culture the businesses undergo a series of self initiated and routine audits at all park properties pertaining to ride safety, water safety, health and safety, food sanitation, animal husbandry, and numerous other matters, with any issues pertaining to the safety of VRTP's customers or employees addressed immediately.

Exhibition

Village Cinemas Australia ('VCA') continues its commitment to responsible environmental management and the reduction of its environmental footprint. VCA has been working with its suppliers to explore and implement sustainable alternatives including a range of cleaning products which avoid bleaches, acids and harsh chemicals. In addition during the year VCA introduced processes for the cleaning and reuse of 3D glasses (avoiding the manufacture of

approximately 2.4 tonnes of new 3D glasses and the effective 'exporting' of that carbon pollution) which has also proved cost-effective.

VCA has also engaged further independent advice to augment existing reporting with daily electricity consumption information enabling VCA to better manage its energy consumption and expenditure. VCA looks forward to further industry developments in lighting technology which will enable effective and cost-competitive refurbishment of cinema electrical light fittings.

In addition VCA's landlords are beginning to broaden their recycling strategies within shopping centres allowing VCA to explore suitable approaches to Public Place Recycling. Waterless urinal trials continued during the year as well as other water saving activities being undertaken (such as more efficient tap fittings in public toilet areas).

In addition VRL's joint venture cinema circuit in Singapore has received praise during the year with the Golden Village Yishun site being awarded the Green Mark Gold Award in May 2011.

All cinema patron and employee safety matters are immediately addressed.

Film Distribution

Roadshow Films continues to operate within a responsible environmental and social framework, driving for increased efficiencies and sustainability results. The integration of environmental sustainability into business operations continues to deliver improvements to Roadshow's carbon footprint, the cultural shift in employee behaviour playing a large part in delivering these results.

Over the FY11 period, the Roadshow sites have achieved year on year declines in electricity usage with this reduction driven by changes to lighting (bulbs), reconfigurations of out-of-hours timers and changes in circuit boards to isolate areas that don't require constant lighting. Behavioural change has also driven results by monitoring and measuring power usage of individual IT usage, encouraging staff to switch-off PCs at the end of the day / week.

Roadshow again participated in the World Wildlife Fund's ('WWF') Earth Hour campaign this year and will be a sponsor of the campaign again next year. The campaign took on a new dimension this year with the message being to 'go beyond the hour'. Roadshow Entertainment supported with prizing, talent for the Earth Hour event in Sydney and also working with WWF to compile the promotional reel which took Earth Hour to the world.

Roadshow is also committed to improving its waste and recycling, and during the year has been able to introduce print reduction initiatives and plastic waste reduction (plastic water bottles). Both initiatives have proven to be cost effective as well as being key drivers for behavioural change in support of sustainability.

For FY12 Roadshow is committed to ongoing change and improvement and anticipates being able to achieve further positive results and initiatives to drive sustainability improvements in the division.