

2013 divisional activity

In addition to the above overview, specific key activities for FY2013 have included the following:

Village Roadshow Theme Parks (VRTP)

Reporting by VRTP under the Queensland Government's Smart Energy Savings program continues, with external consultants working with Theme Park management to roll out a comprehensive and complying Energy Management Plan as part of VRTP's Environmental Management System. Further sub-metering has also enabled VRTP to better track and manage energy usage by area. In addition during the year VRTP completed the upgrading of the Gold Coast parks' effluent management and environmental water control systems.

The NSW Government's mandatory water and energy savings programs applicable to the Wet'n'Wild Sydney project have been incorporated during the planning and construction phase of this new water park. The park's development approval also embeds numerous sustainability, environmental and ecological targets, all of which will be achieved upon the opening of the park to the public in December 2013.

VRTP continues to support a number of organisations and charities with the donation of Theme Park tickets and over accommodation nights each year, including to the Starlight Foundation, Ronald McDonald House and many local community organisations.

The Sea World Research and Rescue Foundation Incorporated ('SWRRFI') receives approximately 500 phone calls each year from the community related to sightings of injured and stressed animals. The animal rescues range from whale and shark net entanglements, beached dolphins and orphaned seal pups to injured seabirds, turtles and sea snakes. All calls are answered and, wherever possible, SWRRFI will assist in a rescue or provide medical attention. VRTP contributes approximately \$190,000 each year to the SWRRFI which is then used to fund numerous research projects incorporating the protection and preservation of the marine environment. VRTP contributes to SWRRFI over 600 hours of staff time each year to assist in the rescue efforts as well as meeting the ongoing maintenance costs of the *Sea World 1* Research Marine Vessel.

Village Cinemas Australia (VCA)

VCA has deployed a number of Coca-Cola sponsored recycling bins, which are being assessed for their effectiveness. If successful, further recycling bins may be deployed to other locations whilst VCA continues to explore opportunities to introduce other recycling solutions at its cinema sites.

Weekly monitoring of VCA's electricity usage has continued and further monitoring of usage may be explored with the new capabilities of the VRL utility database. VCA has made use of smart electricity meters to review and reduce energy consumption during off-peak trading times and additional project resources have been allocated to further optimise operations in the coming year.

With a substantial capital works programme underway, all refurbishments and new developments are primarily using LED fittings to reduce energy expended in lighting (and subsequently cooling) both public and back-of-house areas.

The 3D glasses recycling program continues, with reclaimed glasses being cleaned, sterilised and redistributed in order to reduce the number of new glasses being manufactured and transported.

VCA's participation and support for Earth Hour also continued and will remain active for future years along with long established community and charitable organisations, particularly including the Peter MacCallum Cancer Foundation.

Roadshow Distribution

Roadshow's sale of its DVD distribution warehouse operations during the year to Technicolour Distribution Australia has removed Roadshow's direct management of these distribution operations which are now supplied to Roadshow under a long-term service agreement with Technicolor.

The recent Pyrmont office refurbishment has provided opportunities for achieving greater utility efficiency with a view to also reducing ongoing costs.

Roadshow's Earth Hour sponsorship will continue through FY13.

Corporate

2013 is the Company's third year of complying with National Greenhouse and Energy Reporting ("NGER"). The VRL Group's 2013 NGER report can be viewed via the link noted above. During the year administrative savings have been achieved by realigning VRL's utility database activities with VRL's reporting and compliance requirements.

The Company's centralised management of its utilities has enabled the Company to review the energy market to seek opportunities to realise cost savings by locking in forward contracts or using the spot market as appropriate.

The de-centralisation of CSR and Sustainability communication continued in the period, with Divisions taking ownership of their respective interests in group-wide events such as Earth Hour and Movember.

As part of the redevelopment of the new Corporate Head Office at the Jam Factory in Melbourne, VRL has taken the opportunity to implement a number of energy efficient and sustainably responsible measures. These include the installation of T5 energy efficient lighting, implementation of lighting management zones, and use of environmentally sustainable carpet tiles and other fixtures.