

Sustainability Policy

EMS001

Real Estate

Disclaimer:

Dexus Funds Management Limited as responsible entity of Dexus Property Trust and Dexus Operations Trust (**Dexus**) recently acquired the effective day to day management of the majority of the real estate and domestic infrastructure equity business of Collimate Capital Limited, a subsidiary of AMP Limited. As part of this acquisition, Dexus acquired AMP Capital Funds Management Limited (**AMPCFM**) and AMP Investment Services Pty Limited (**AMPIS**). AMPCFM and AMPIS are the trustees and/or responsible entity of several managed investment schemes that are subject to this document. Dexus, through AMPCFM and AMPIS, will continue to apply and administer this document in its current form.

Overview

The AMP Capital Real Estate Sustainability (AMPCRE) Policy describes our commitment to sustainability, including mitigating environmental impacts, addressing relevant social issues and maintaining sound governance procedures.

Objective

The objective of this policy is to affirm our commitment to achieving long term sustainable outcomes through our real estate assets, across our supply chain and in the communities in which we operate. The policy describes the overall intentions and direction of AMP Capital Real Estate related to its environmental and social performance. It provides a framework for action and for the setting of its sustainability objectives and targets.

Scope

This policy covers AMP Capital's Real Estate business

Policy owner

Head of Sustainability, Real Estate

Policy approver

Head of Real Estate

Effective date

December 2019 (CN updated October 2020)

Review date

December 2022

Background

AMP Capital

AMP Capital is a specialist global investment manager with circa A\$200 billion in funds under management as of 30 June 2019 and more than 250 investment professionals. AMP Capital has a heritage and strength in real estate and infrastructure, and specialist expertise in fixed income, equities and multi-asset solutions. Its majority shareholder is AMP Limited, which was established in 1849, and is one of Australia's largest retail and corporate pension providers. AMP Capital has a strategic alliance with Mitsubishi UFJ Trust and Banking Corporation, which is also a shareholder.

AMP Capital Real Estate

AMP Capital is one of the largest direct real estate fund managers in the Asia-Pacific with more than \$28 billion in assets under management (as of 30 June 2019) on behalf of global investors. We are also one of the most experienced, with our heritage in real estate investment, management and development spanning over 50 years and many investment cycles, starting with Australia's first skyscraper which opened in 1962.

AMP Capital's extensive global network and integrated management model allows its 600-strong team of real estate professionals to realise true value for clients through the investment management, property management and development of a portfolio of some of the most iconic shopping centres, office buildings and industrial estates across Australia and New Zealand.

Our purpose is to shape a better future. We do this by creating exceptional real estate experiences that seek to deliver sustainable returns for our clients, support our tenant customers in their success and add value to the lives of the millions of people and communities who either shop, work in or visit our managed places each day.

Policy principles

AMP Capital Real Estate is committed to achieving long term sustainable outcomes through our real estate assets, across our supply chain and in the communities in which we operate. Our sustainability framework addresses environmental, social and governance issues in order to:

- Enhance value and minimise risk for our investors
- Deliver exceptional real estate experiences for our customers
- Perform in line with global best practice
- Develop our people's and partners' sustainability knowledge so they can be advocates and
- Foster a culture which embraces sustainability as a genuine core value.

Our sustainability vision is to create enduring value for all, across our platform in all our real estate assets, with our supply chain partners and in our communities. This means our business and buildings take less and give more, they stand the test of time and are resilient to change. It means caring for the land we use by protecting and restoring our natural environment. It's building social capital in the communities where we operate and creating vibrant and inclusive places where our customers love to be. It's always bringing our best, so we can be up there with the best in the world. It's developing our people's and partner's sustainability knowledge and creating a culture with sustainability at its core. It's about improving risk-adjusted returns for our business and our investors. It's about leading the way and working to improve our performance every day.

The following principles guide our approach to sustainability in AMP Capital Real Estate:

- **Prevention:** We are committed to protecting the environment and our staff, to preventing pollution and to minimising the use of natural resources in all parts of controlled operations. We work to constructively influence our stakeholders to follow the same principles.
- **Compliance obligations:** We are committed to complying, at minimum, with all applicable legislation, stakeholders' requirements and voluntary commitments that we subscribe to in order to reduce risk for our investors, community, staff and the environment.
- **Continuous improvement:** We are committed to continuously improving our environmental and social performance through establishing an effective management system, benchmarking ourselves against peers and through continuous assessment of our practices.
- **Sustainability is at the core of what we do:** we are committed to creating a culture where caring for the environment, caring for people, and good governance are at the core of everything that we do.

Policy requirements
















This Policy applies to AMP Capital's Real Estate business unit. It sets out the minimum standards required for AMPCRE employees. Additional requirements may apply in some circumstances, for example employees in overseas jurisdictions. In addition to meeting the minimum requirements of this Policy, AMPCRE employees will also need to comply with local or entity specific requirements, policies, and procedures including where they exceed the requirements of this Policy. Where other obligations are inconsistent with this Policy, these inconsistencies should immediately be referred to the Policy owner.

Failure to comply with the Policy may pose a regulatory or reputational risk to AMP Capital Real Estate in both Australia and abroad and could result in civil or criminal penalties as well as financial losses, and reputational or other damages. Any instances of non-compliance with this Policy should be reported through the AMP Capital Real Estate Incident Management procedure.

Where AMP Capital Real Estate staff have a concern that a serious breach of this Policy has occurred or will occur, and that pursuing their concern through the normal channels will be personally damaging, they should report their concern in accordance with the AMP Capital Real Estate Incident management procedure, which has provisions for 'whistleblowing' i.e. anonymously reporting a breach, complaint or feedback without fear of repercussions for the person making the report.

All AMP Capital Real Estate staff must comply with this Policy. An intentional breach of this Policy may be considered as misconduct and may result in re-assessment or revocation of bonus or incentive allocation and/or disciplinary action up to and including termination of your employment or services.

Our sustainability framework shown in the table below describes our objectives and key focus areas:

Pillars	Focus areas	Objectives
 Environment We operate within environmental limits so that our real estate investments are sustainable in the long term.		Energy & Climate: We understand and acknowledge the reality of human-induced climate change and we're taking strong action to de-carbonise and adapt our real estate portfolio. We have a target to be Zero Net Carbon by 2030 ¹ . This means highly efficient buildings, running on renewable energy. We know we need to adapt to the impacts of climate change. We will implement climate resilience measures to protect our customers and our investors from climate extremes.
		Waste Minimisation: We recognise our role in reducing the waste generated by our building users. We will work to reduce the volume of waste we send to landfill and increase the proportion that is recycled or composted. We will work with our tenant and customers to phase out single-use plastic and move to compostable packaging. We aspire to support the creation of a 'circular economy'.
		Water Efficiency: We will improve water efficiency by reducing wastage and harvesting or reusing water where practical.
		Biodiversity & Habitat: We will use native and locally adapted plants in our landscaping to create habitats and support local biodiversity. We will create a biodiversity conservation reserve to help restore and protect unique habitats and the biodiversity they support.
 Social We want everyone to enjoy happy, healthy lives in vibrant inclusive communities and workplaces.		Health & Wellbeing: We will work to identify and effectively manage safety, physical and mental health and environmental risks to protect our employees, contractors and customers, and continually improve our processes. We will strive to provide the best indoor environmental conditions for our customers to support their wellbeing.
		Culture & Community: Sustainability is a core part of our business culture and a central pillar of our business strategy. We will educate and enable our people, partners & customers about how we can work together to achieve our sustainability goals. Our success rests on the strength of the communities in which we operate, so we partner with community organisations to deliver positive social outcomes.
		Equity & Diversity: We have a respectful, inclusive culture where different perspectives are heard and encouraged, and our people feel comfortable expressing all aspects of their identity at work.
		Transport & Mobility: We will implement best practice standards of accessibility. We encourage walking, running or cycling to and from our assets, and ensure people can find out how to get there using public transport. We will support the transition to non-polluting transport by providing charging points for electric vehicles.
 Governance We respect the rules and behave ethically in our business and supply chain, continually striving for best practice. We transparently disclose how we are performing.		Policies & Processes: We will maintain a comprehensive set of policies and processes to identify and manage our governance, social and environmental risks during the acquisition, development and operation of our real estate assets. We will use wording in our lease agreements to encourage and partner with our tenants to help us both achieve our sustainability goals and uphold the AMP Capital Ethical Framework.
		Supply Chain: We will implement processes to minimise ESG-related risks in our supply chain, consistently apply minimum sustainability performance standards and strive for best practice in our procurement with the aim of making all our assets free of, or safe from, hazardous materials and identifying and addressing the risk of human rights abuses including modern slavery.
		Reporting & Ratings: We are committed to measuring and transparently disclosing our sustainability performance. We participate in third party rating systems to independently benchmark our sustainability performance and identify areas for improvement.
		ESG Growth: We will investigate and act on commercial opportunities arising from the transition to sustainability.

This Policy can be found on our Intranet and is communicated to all staff, contractors and suppliers. It is also available to the public upon request.

Roles and responsibilities

All employees and contractors should observe the principles and environmental, social and governance objectives described in this Policy during their daily jobs and decision-making processes.

Real Estate Leadership Team (RELT)	Review and approve this sustainability policy and the sustainability strategy every three years and provide resources and support to implement this policy and the sustainability strategy and initiatives that support it. Managers are expected to lead by example, working to advance the aims, objectives and principles of this policy and take prompt action if a policy breach is identified.
Head of Sustainability, Real Estate	Review and update the sustainability Policy every three years, and as required update the supporting sustainability strategy and oversee the implementation of the initiatives that support it. Seek approval of the Policy and its updated versions from the RELT. Communicate to the RELT any changes to, or breaches of, this Policy. Guide the AMP Capital Real Estate team regarding the implementation of this Policy.
All real estate staff and contractors	Every employee, contractor and service provider across AMP Capital Real Estate global operations and assets is expected to follow this Policy and contribute to the successful achievement of its objectives. We encourage everyone to report any environmental, social or governance concern to the AMP Capital Real Estate sustainability team and report any suspected or actual incidents or breaches of the Policy in accordance with AMP Capital incident management processes.
Real Estate Sustainability Team	Provide advice and support to the AMP Capital Real Estate business and its service providers on sustainability matters. Develop annual sustainability action plans (Fund and Asset ESG Plans), processes and procedures to achieve the objectives set in this Policy. Monitor and report compliance with this Policy.



Kylie O'Connor

Head of Real Estate – AMP Capital

October 2020

1. Zero Net Carbon is defined to include annual Scope 1 and 2 greenhouse gas emissions associated with the base building services of all assets owned and operated by AMP Capital, which are to be reduced to a zero balance annually using a combination of energy efficiency, on-site renewable energy installations, purchasing renewable energy through the grid covering all base building annual energy consumption, and purchasing Verified Carbon Credits for any residual emissions (e.g. from diesel generators).