

Environment Policy

1. Purpose

At Dexus, we aim to protect and sustain the environment by maximising resource productivity to reduce environmental impacts in the development, management and refurbishment of properties and create adaptive, enduring and inspiring places for future generations.

2. Context

We recognise we have a duty of care to our stakeholders: investors, customers, employees, agents and the wider community, to sustain and protect the environment during the management of our property portfolio, and ensure environmental obligations receive equal importance to our commercial and competitive obligations.

Dexus acknowledges the United Nations Sustainable Development Goals advocating for responsible consumption and production of resources, together with stakeholders' expectations for Dexus to develop and manage properties that make a positive environmental impact.

We understand the increasing environmental and social challenges caused by climate-related impacts to the environment and their effects on our communities, and we recognise our role to limit those long-term effects of human-induced climate change in line with the goals of the Paris Climate Agreement.

We seek to enhance property and portfolio climate resilience by minimising our greenhouse gas emissions, adapting for change and influencing across our value chain. Dexus is committed to transitioning to a low carbon future through the Group's target to achieve net-zero greenhouse gas emissions by 2030. This is supported by a further commitment to sourcing 100% of electricity needs from renewable sources by 2030.

3. Coverage

It covers all activities under Dexus's operational control, including properties under management, transactions, developments and corporate tenancies. This policy applies to Dexus employees, external facility managers and service providers, with impacts felt across customers and visitors, as well as local communities and habitats.

Dexus seeks to collaborate with stakeholders to achieve these aims, targeting a long-term, 'whole building' environmental stewardship approach.

4. Policy commitments

We aim to protect and sustain the environment by maximising resource productivity to reduce environmental impacts in the development, management and refurbishment of properties. Dexus is committed to:

1. Maintaining ongoing compliance with environmental legislation and regulation
2. Integrating climate risk, resilience and adaptation into investment decision making and operations
3. Continually improving our environmental performance through setting targets to minimise the consumption of energy and water, and reduce waste generation
4. Through Dexus's New Energy, New Opportunities strategy, achieving net-zero greenhouse gas emissions by 2030 through improving energy efficiency and increasing on-site and off-site renewables
5. Managing operations to minimise resource-related operating costs and reduce exposure to volatility in energy prices
6. Implementing resource use and waste management practices that minimise waste to landfill by maximising stream segregation and downstream stewardship, to produce recyclable materials that can be reused within new products (i.e. 'closed loop' resource use practices)
7. Maintaining and enhancing biodiversity at our sites, as described within Dexus's Biodiversity Policy



8. Minimising potential environmental impacts from our upstream supply chain, as outlined within Dexus's Sustainable Procurement Policy
9. Adopting a 'whole building' approach with customers through 'green lease' commitments within leases with mutual commitments to manage and operate their tenancies to minimise environmental impacts from operations, and installation and removal of fit outs
10. Maintaining effective disclosure on environmental performance within regulatory and voluntary reporting, and disclosing our approach to managing climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

5. Implementation

Environmental management system

Dexus will maintain a detailed environmental management system, certified against international standard ISO 14001, for the environmental management of our property portfolio across the property life cycle. Through this system Dexus will:

- Facilitate the identification and implementation of legislative requirements and best practices. Dexus expects ongoing compliance with relevant legislation and regulations
- Strive to continually improve our environmental performance and minimise our environmental footprint
- Aim to deliver a positive impact on biodiversity and have integrated biodiversity management within our organisational strategy
- Ensure that all employees, agents, contractors, service providers and customers are aware of the impact of their actions on the environment, and
 - use reasonable endeavours to ensure that they are appropriately trained and motivated to conduct their activities in an environmentally responsible manner, and
 - comply with or exceed the requirements of relevant environmental legislation and Dexus's commitment to improving our environmental performance
- Seek to ensure our environmental programs are successful and we meet our environmental obligations
- Identify, manage and monitor potential risks and opportunities presented by climate change at our properties
- Actively promote and develop initiatives to improve the environmental performance and reduce the environmental impact of our portfolio
- Actively involve and take into consideration the views of interested parties
- Provide transparent monitoring and reporting of our environmental performance
- Ensure that this Policy and Dexus's Environment Statement is available to the public, customers, agents, contractors, service providers, suppliers and other interested stakeholders

Property operations

Dexus will integrate environmental sustainability practices and initiatives within property operations in order to meet the goals above. Key activities as applicable include:

- Across the Group's managed portfolio, Dexus will set and monitor performance against environmental management performance goals, and report on progress against those goals annually within our Annual Reporting suite.
- Adopt portfolio-wide resource efficiency program that is integrated within asset planning and operations
- Deliver service excellence to customers and visitors by maximising occupant comfort and amenity while optimising operational performance
- Benchmark building performance using industry tools such as Green Star performance and NABERS performance, targeting leading environmental performance
- Assess climate-related risks and opportunities, related to physical climate impacts and the transition to a low carbon economy, and implement appropriate mitigation and adaptation actions



- Reducing emissions by evaluating and pursuing opportunities to incorporate renewables across existing suitable office, industrial and retail properties
- Assess biodiversity risks and opportunities, targeting a net positive benefit

Transactions and developments

Dexus will assess environmental exposures and operational performance during our investment acquisition and planning approvals processes. Key activities as applicable will include:

- Assessing each property’s physical environmental exposures and risks prior to acquisition as part of our investment due diligence process
- Integrating environmental considerations and risks into our investment decision making process, taking into consideration Dexus’s long term climate resilience and carbon emission reduction goals
- Reviewing the environmental implications for proposals to change land use

Across our developments, Dexus is committed to designing for operational efficiency targeting net zero emissions from operations, including:

- Taking a life cycle approach to inform low embodied carbon within key projects
- Incorporating sustainable design within new developments targeting efficient operation, leveraging best practice tools such as the Green Star rating system
- Establishing minimum energy performance in design benchmarks

6. Engaging with stakeholders

We believe that teamwork is essential in everything we do. While management plays a key role in the responsible environmental management of our property portfolio, success can only be achieved when responsibility is shared between management, employees, customers, contractors and service providers.

Dexus collaborates across its value chain and conducts ongoing activities to manage and improve environmental performance. Key stakeholders include customers, employees, facility management and suppliers. Key activities include:

- Conducting training and information sessions for customers to improve their understanding of Dexus’s environmental goals, their current performance, and improvement opportunities
- Identifying opportunities to work with customers to improve their sustainability performance
- Supporting industry innovation regarding uptake of clean energy, energy efficiency and environmental stewardship initiatives and technology
- Collaborating with suppliers and service providers, as per Dexus’s Supplier Code of Conduct, to adhere to Dexus’s environmental goals and implement appropriate practices as per this policy
- Training our employees to understand the importance of resource efficiency and greenhouse gas emission reduction and continue to raise awareness of risks and opportunities for our business

Version	Document Owner	Author	Approving Authority	Approved Date
1	Compliance	Paul Wall	Head of Risk & Compliance	3 February 2016
2	Compliance	Rob Sims	Head of Governance	7 February 2017
3	Compliance	Rob Sims	Head of Governance	15 January 2019
4	Sustainability	Rob Sims	GMC	18 February 2019
5	Sustainability	Rob Sims	GMC	9 March 2020



Environment Statement

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We seek to enhance property and portfolio climate resilience by minimising our greenhouse gas emissions impact, adapting for change and influencing across our value chain. Dexus is committed to transitioning to a low carbon future through the Group's target to achieve net-zero greenhouse gas emissions by 2030. This is supported by a further commitment to sourcing 100% of electricity needs from renewable sources by 2030.

We aim to protect and sustain the environment by maximising resource productivity to reduce environmental impacts in the development, management and refurbishment of properties. Through our Environment Policy which supports this statement, Dexus is committed to:

1. Maintaining ongoing compliance with environmental legislation and regulation
2. Integrating climate risk, resilience and adaptation into investment decision making and operations through a detailed environmental management system, certified against international standard ISO 14001, for the environmental management of our portfolio across the property life cycle
3. Continually improving our environmental performance by setting targets to minimise the consumption of energy and water, and reduce waste generation
4. Achieving the goal of net zero greenhouse gas emissions by 2030 through improving energy efficiency and increasing on-site and off-site renewables
5. Managing operations to minimise resource-related operating costs and reduce exposure to volatility in energy prices
6. Implementing resource use and waste management practices that minimise waste to landfill by maximising stream segregation and downstream stewardship, to produce recyclable materials that can be reused within new products (i.e. 'closed loop' resource use practices)
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David Yates
Executive General Manager, Sustainability
9 March 2020

Darren Steinberg
Chief Executive Officer
9 March 2020