Dexus - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Dexus is one of Australia's leading fully integrated real estate groups, managing a high-quality Australian property portfolio valued at $42.5 billion. Dexus is a Top 50 entity by market capitalisation listed on the Australian Securities Exchange (trading code: DXS) and is supported by more than 30,000 investors from 23 countries. We believe the strength and quality of our relationships will always be central to our success and we are deeply committed to working with our customers to provide spaces that engage and inspire.

With over 35 years of expertise in property investment, funds management, asset management and development, we have a proven track record in capital and risk management, and delivering superior risk-adjusted returns for investors. We invest only in Australia, and directly own $17.5 billion office, industrial and healthcare properties and investments.

We manage a further $25.0 billion of office, retail, industrial and healthcare properties in our funds management business which provides wholesale investors with exposure to quality sector specific and diversified real estate investment products. The funds within this business have a strong track record of delivering outperformance and benefit from Dexus's capabilities.

The group's $14.6 billion development pipeline provides the opportunity to grow both portfolios and enhance future returns. We consider sustainability to be an integral part of our business with the objectives of Leading Cities, Future Enabled Customers, Strong Communities, Thriving People, and an Enriched Environment supporting our overarching goal of Sustained Value.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2020	June 30 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

AUD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CN0.7/C-RE0.7

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

New construction or major renovation of buildings

Buildings management

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	ASX: DXS
Yes, an ISIN code	AU000000DXS1

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Dexus Board has delegated responsibility for assessing and managing climate-related issues to the Board's Environment, Social, and Governance ('ESG') Committee which includes three of the seven non-executive board members. The Board ESG Committee oversees the implementation and management of Dexus's sustainability strategy (known as our Sustainability Approach), which includes ESG initiatives to maintain the group's position as a leader in sustainability practices. The Committee approves and endorses environmental targets and ESG strategies for the group. An example of a climate-related decision made by the Board ESG Committee in FY21 occurred in the review process for Dexus's future environmental targets. The Committee made the decision to approve and endorse targets, including to reach net zero by 2022, and Dexus's FY25 environmental targets such as sourcing 70% electricity from onsite and offsite renewables sources across the group's managed portfolio and improving energy and water efficiency by 10% across the group office portfolio. Dexus's Chief Operating Officer and the Executive General Manager, Investor Relations, Communications and Sustainability, reports quarterly to the Board ESG Committee. The Board ESG Committee works closely with the Board Risk Committee on climate-related issues because of the inclusion of climate change as a strategic risk.
Board-level committee	The Dexus Board has delegated responsibility for assessing and managing climate-related risks to the Board Risk Committee which includes of three of the seven non-executive board members. The Board Risk Committee oversees the implementation of Dexus's Risk Management Framework and the group's risk management practices, as well as Work Health and Safety, environmental management, and internal audit. An example of a climate-related decision that was made by the Board Risk Committee in FY21 was approval and endorsement to maintain climate change as a key risk in our risk appetite statement. The Dexus Risk Team, led by the Head of Risk, reports quarterly to the Board Risk Committee. The Board Risk Committee works closely with the Board ESG Committee on climate-related issues because of the inclusion of climate change as a strategic risk.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	The Executive General Manager, Investor Relations, Communications and Sustainability, and the Senior Manager, Group Sustainability and Energy present at Dexus Board-invited meetings and at each quarterly meeting for the Board ESG Committee as a standing agenda item. The Sustainability Team prepares a Quarterly ESG Dashboard which details progress and status on climate, climate change and resilience, and sustainability priorities and targets (towards our Sustainability Approach and Strategy) prior to the Board ESG Committee's meeting and is a discussed agenda item. Post-meeting, the Board ESG Committee minutes are provided to the Dexus Board. An example of a regular topic of discussion, is our climate change resilience strategy, which involves: one, reducing our impact through decarbonisation, energy efficiency and renewable energy; two, adapting to physical and transitions risk of its property, people and operations, and leveraging climate change-related opportunities; and three, influencing our value chain by engaging customers [tenants] and suppliers to reduce climate impacts. An example of a topic discussed with the Board ESG Committee includes initiatives to reduce the climate impact from bushfires on building occupants by improving air filtration and adopting control measures based on alerts of poor ambient air quality. Another topic discussed has been Dexus's on-site solar renewable initiatives and the continued review of our energy procurement decarbonisation strategy against the group's FY25 renewable energy sourcing target.
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding business plans Setting performance objectives	<Not Applicable>	The Executive General Manager, Investor Relations, Communications and Sustainability, and the Senior Manager, Group Sustainability and Energy are invited to present at each quarterly Board ESG Committee as a standing agenda item. The Sustainability Team prepares a Quarterly Environmental Performance and Initiatives Report which details the progress and status on climate, climate change and resilience, and sustainability priorities and targets prior to the meeting and is discussed as an agenda item. The Sustainability Team reports on its progress on the climate resilience roadmap (mitigation, adaptation, and influencing value chain). All Sustainability Commitments are approved and endorsed annually by the Board, or as required by exception. An example of this is, in FY21, the Board ESG Committee reviewed the group's progress against its Net Zero Emissions target, including progress of key initiatives such as achieving the group's NABERS Energy Rating target (a minimum of 5 Stars across 1,000,000 square metres; onsite renewable energy installation initiatives; and our electricity procurement decarbonisation strategy and roadmap).
Scheduled – all meetings	Reviewing and guiding risk management policies	<Not Applicable>	The Board Risk Committee reviews enterprise-wide risk management practices including climate and environmental management. The Quarterly Meetings address the effectiveness of the group's Risk Management Framework. The group's Environmental Management System ('EMS') is subject to regular review which feeds ongoing enhancements to the EMS (which is managed by the Risk and Sustainability Teams). The Board Risk Committee works closely with the Board ESG Committee on climate-related issues because of the inclusion of climate change as a strategic risk.
Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures, acquisitions and divestitures	<Not Applicable>	The Dexus Board approves all corporate annual budgets for all business units during their yearly two-day strategy session. The Board approves all major capital expenditure, acquisitions, and divestments (in accordance with its Terms of Reference) Relevant activities are discussed in meetings where appropriate.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Yes, we have a board member with competence on climate-related issues, highlighting our capability and our commitment to understanding and responding to climate change risks, opportunities, and impacts. The Dexus Board has overall responsibility for the appointment and removal of Non-Executive Directors (subject to Security Holder Approval). The Nomination Committee, on behalf of the Dexus Board, one, conducts periodic reviews of the performance of Non-Executive Directors, and, two, conducts searches for suitable candidates to fill vacancies as and when they arise. The Nomination Committee considers the mix of experience, expertise, qualifications and diversity (including gender, age, ethnicity and background) of existing Non-Executive Directors, cognisant of the group's strategy and objectives, to identify desirable capabilities for any new Non-Executive Directors. The Nomination Committee's search for suitable candidates, includes candidates not known to the current Non-Executive Directors and candidates representative of our diversity objectives. The tenure of existing Non-Executive Directors is also taken into consideration and the Committee will consider a range of criteria acknowledging the current board's skills matrix along with current and future areas of focus. The Nomination Committee will make a recommendation for appointment to the Dexus Board for discussion and approval. And the Board may choose, from time to time, to appoint a new Executive Director(s). These appointments will be subject to Security Holder Ratification as required under the ASX Listing Rules.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO) *Chief Executive Officer (CEO) and Executive Director*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (Executive General Manager, Investor Relations, Communications, and Sustainability)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Environment/ Sustainability manager *known as, Dexus's Senior Manager, Group Sustainability and Energy*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Operating Officer (COO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Corporate responsibility committee *known as, Dexus's Corporate Executive Committee*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Risk committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (Executive General Manager, Office)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Other C-Suite Officer, please specify (Executive General Manager, Industrial, Retail and Healthcare)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Chief Operating Officer ('COO'): is responsible for the People and Culture, Real Estate Operations, Risk, Marketing, Corporate Affairs and Communications, Sustainability and Technology functions, together with a focus on commercial processes to enhance decision efficiency across the group. This role reports directly to the CEO and is a member of the Group Management Committee, which has oversight of climate-related issues within the scope of addressing economic, environmental and social topics, including property resilience, climate change impacts, human rights and modern slavery, and community investment. The Executive General Manager ('EGM'), Investor Relations, Communications and Sustainability, and the General Manager, Group Sustainability present to the COO at quarterly EGM Meetings. The COO is shown the Quarterly Environmental Performance and Initiatives Report which details the progress and status on climate, climate change and resilience, and sustainability priorities and targets, which is discussed as an agenda item.

Post the FY21 disclosure period, the EGM Investor Relations, Communications and Sustainability resigned from Dexus and the sustainability function has been included as part of the COO's responsibilities.

The Executive General Manager Investor Relations, Communications and Sustainability: responsible for implementing the group's sustainability strategy (known as the Sustainability Approach), sustainability reporting, and reviewing and approving materials in accordance with our material approval process. The Executive General Manager Investor Relations, Communications and Sustainability has responsibility for the management of climate-related opportunities and risks, such as progress toward and achievement of our target to reach net-zero emissions by 30 June, 2022. This role also reports directly to the CEO and is a member of the Group Management Committee, which has oversight of climate related issues within the scope of addressing economic, environmental and social topics, including property resilience and climate change impacts, human rights, modern slavery, and community investment.

Senior Manager, Group Sustainability and Energy: leads the Dexus Sustainability team and coordinates day-to-day integration of sustainability within operations including:
- Oversight of the group's Sustainability Approach including the setting of ESG objectives against each key objective and monitoring progress
- Responsibility for environmental performance including target setting, monitoring and reporting
- Oversight of annual energy and emissions reporting as per legal requirements and external assurance of Dexus's environmental accounts
- Oversight of NABERS rating program to maintain legal compliance and setting building performance targets

Corporate Executive Committee: is accountable to and reports to the Group Management Committee and the Board ESG Committee. The Corporate Executive Committee is responsible for developing and overseeing the implementation of Dexus's sustainability strategy (Sustainability Approach) in relation to ESG policies and practices, risk management, compliance management and internal audit programs.

Members of the Corporate Executive Committee are:
- Chief Financial Officer
- Chief Operating Officer
- General Counsel and Company Secretary
- EGM, Investor Relations, Communications and Sustainability

The Corporate Executive Committee is tasked with ensuring effective management of risks that have the potential to impact Dexus's strategy and outlook. Climate Change is a key strategic risk to the group with potential impacts over the medium to long term. These risks are actively reviewed and managed within Dexus's Risk Management Framework and by the Sustainability team. The Sustainability team reports quarterly to the Corporate Executive Committee and Board ESG Committee meetings, detailing progress and status on climate and sustainability targets, progress on Dexus's climate change resilience strategy, and updates on emerging topics such as legislation, markets, and environmental topics. Each key strategic risk, climate included, is discussed in detail on an annual basis. For climate,

The Board Risk Committee works closely with the Board ESG Committee on climate-related issues because of the inclusion of climate change as a strategic risk for Dexus.

Executive General Manager, Office: is responsible for the group's $26 billion Office portfolio, and oversees management of property-related climate risks and performance, with involvement as important matters arise.

Executive General Manager, Industrial, Retail and Healthcare: is responsible for the group's Industrial, Retail and Healthcare portfolios, and oversees management of property-related climate risks and performance, with involvement as important matters arise.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Emissions reduction target Energy reduction target Efficiency target	Executives and Senior Management have individual KPI's linked to financial and non-financial performance including sustainability commitments published in Dexus's Annual Reporting Suite. These commitments are derived from the list of material sustainability issues and strategic goals. Progress on improving environmental performance is assessed within Dexus's FY21 Corporate Commitments to: a) source at least 70% of electricity from renewable sources across the group's managed portfolio by Financial Year 2025; b) achieve net-zero emissions across the group managed portfolio. Executives and Senior Management are rated on their performance across KPIs and monetary rewards are tied to the achievement of KPIs.
Environment/Sustainability manager	Monetary reward	Emissions reduction project Energy reduction project Energy reduction target Efficiency project Efficiency target	The management of climate change risk assessing, and reporting is a business objective and the Sustainability Team have targets to deliver business objectives. These include but are not limited to meeting energy/emission reduction targets, implementing energy/emissions reduction projects, championing behaviour change and communicating climate change issues. These form part of individual objectives within the team and are linked to performance measurement and remuneration.
All employees	Monetary reward	Behavior change related indicator	Dexus's Group Performance Scorecards supports sustainability through integrating commitments to material sustainability issues and the group's strategic goals (where relevant) into employees' roles and responsibilities, and into new starters' job descriptions. Key Employees are assessed on their contribution, relevant to their position, towards achieving the group's annual sustainability commitments, as set out within its Annual Reporting Suite. All Dexus Employees are rated on their performance across performance scorecard KPIs and monetary rewards are tied to the achievement of KPIs. In FY21, Dexus specified a range of sustainability commitments to improve performance with regards to investors, customers, suppliers, employees, the community, and the environment.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	Next 24 months or sooner. Managing day-to-day risks to properties from climate-related events. Managing building operations to minimise energy consumption and associated emissions. This aligns with Dexus's frequency of financial and operational planning and annual budgets.
Medium-term	2	7	Next 2 to 7 years, in line with interim environmental targets for Dexus's 2030 Net Zero Strategy. The time horizon aligns with Dexus's group scorecard goals to ensure company-wide comprehensive awareness of climate-related issues and renewable energy uptake alongside appropriate adaptation planning and management. Dexus's climate change resilience pathway goal involves improving understanding of transitional risks over the medium term and incorporate those learnings into Dexus's strategy stress testing over a 3 to 5 year horizon.
Long-term	7	15	Horizon to 2030 and beyond in line with Dexus's Net Zero 2030 Strategy, as well as long-term investment objectives across key funds. Integrating physical and transitional, economic and social climate-related issues into asset planning. Setting and implementing energy, renewable energy and emissions targets consistent with climate-related science and global transition to a low carbon economy, supported by Dexus's in-house research team's long-term (20 to 30 year) outlook analysis. Referencing IPCC climate scenarios to support science-based target setting and inform 10-year asset planning through planned CAPEX, updates, and decision on disposals, including emissions reduction projects such as on-site solar, off-site renewable power purchase agreements, and building electrification.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Dexus's Risk Management Framework aligns with ISO 31000:2018 *Risk Management - Guidelines*. The Risk Management Framework's treatment of climate-related risks is consistent with the group's process across short-, medium- and long-term time horizons . Dexus's climate-related risks are assessed based on likelihood, consequence, and effectiveness of controls which is used to determine a resulting overall risk evaluation. Dexus defines a substantive impact as 'major' or 'extreme' according to its risk assessment criteria when assessing climate-related risks:

- with regard to financial consequences, 'major' equates to a financial impact of "between 5% and 20% of Adjusted Funds From Operations ('AFFO') or the relevant funds earning metric; or between 5% and 10% of Net Assets of the relevant fund; or unanticipated or unbudgeted financial loss of $10m - $60m", and 'extreme' equates to "20% or greater of AFFO or the relevant funds earning metric; or greater than 10% of Net Assets of the relevant fund; or unanticipated or unbudgeted in excess of $60m"; and
- with regard to strategic consequences, 'major' is considered to represent a significant impact on the achievement of strategic objectives requiring major effort to manage and resolve to avoid detrimental impact on the viability of the business, and an 'extreme' strategic consequence would be the sustained and significant impact on the achievement of multiple strategic objectives requiring major effort to manage and without appropriate resolution would have a detrimental impact on the viability of the business.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Dexus's Risk Management Framework ('Framework') aligns with ISO 31000:2018 Risk Management - Guidelines. Dexus's Framework integrates climate-related risks and opportunities - occurring in our direct operations, upstream, and downstream value chain - in a systematic and timely way to allow the group to be as proactive, as possible, and to help minimise the impact of undesirable events. Dexus identifies and evaluates risks to determine their severity, likely consequences, and frequency over a twenty-year period.

The Risk Assessment Process occurs quarterly and includes the determination of which risks and/or opportunities could have a financial and/or strategic impact on the business. It involves the assignment of an overall residual risk rating for each risk acknowledged, including any climate-related risks and opportunities. The Risk Assessment Process includes:

1. Identification – risks are identified through the course of operations, via audits, reports, incidents, external advice, etc. Climate Change risk identification includes periodic desktop analysis of climate exposures, property audit processes, and DD conducted during acquisitions and developments. Risks are categorised along the value chain as direct operations issues, upstream issues (e.g. supply chain), and/or downstream issues (e.g. customer/occupant use of group managed properties). Risks are also categorised as material in the short-term (0-2 years), medium-term (2-7 years), and/or long-term (7-15 years).

2. Analysis – risks are assessed to determine their significance and priority, which includes determining which risks and opportunities could have a substantive financial or strategic impact. The Risk Assessment Process involves a consideration of the risk criteria in terms of likelihood and consequence and involves analysing the following:
a) Inherent Risk –the likelihood and consequence of a risk event if it were to occur in the absence of controls. The inherent nature of the risk event will provide the basis and extent to which controls or treatment plans are required to mitigate the risk to an acceptable level. Assessment of inherent risks of climate-related issues take into account recent and historical natural disaster events such as flood, cyclone, hurricane, windstorm and earthquake, geographical factors, while factoring in climate change projections and previous loss data.
b) Identify and Assess Controls – identify the existing controls in place to address the risk and assess how effective they are in operation. The control's current operating effectiveness is determined and rated on a scale of effectiveness. Where controls are identified as ineffective or partially effective, action plans are required to be developed by management to establish effective controls and mitigate risks.
c) Residual Risk Rating – the residual risk rating is determined by combining the likelihood and consequence of the risk, taking into consideration the effectiveness of existing controls. Dexus has adopted standardised criteria and rating scales to be applied across all risk management activities and business areas.

3. Evaluation – risks are evaluated, and a decision is made as to whether a risk is acceptable or not, factoring the frequency, likelihood of occurrence, and the potential environmental, financial or business impact that would result. Risk mapping tools are used to prioritise risks.

4. Treatment/Response – following the identification and analysis processes for climate-related risks within our Risk Management Framework, Dexus responds to these identified risks through the deployment of Risk Treatment Plans. These Plans are triggered if a risk is identified and analysed as having a residual risk rating of High or Very High and involve the Risk Management Team engaging the relevant team head(s) to implement the Plan. Depending on the climate-related risk at hand, these plans may include evaluating and making or changing investment decisions, asset planning, preventative maintenance, and adaptation activities.

An example of how the Framework is applied to physical risks is our assessment of portfolio exposure and vulnerability to property damage or loss of business continuity from extreme weather. The application of the Framework and vulnerability assessment has revealed, for example, that properties in Sydney and Melbourne are exposed to heat stress, with potential impacts including increased costs to cool our properties in these locations on hot days. Alternatively, properties in Far North Queensland are exposed to cyclone and flooding risk, with potential impacts including increased insurance costs/premiums and building damage remediation costs. Dexus conducts annual Risk Assessment Workshops using a Risk Register that includes property climate change risk. And we rank properties in its portfolio according to their overall level of risk and higher risk properties undergo further assessment and adaptation planning. Managing the risks involves mitigating physical risks through investment decision-making, asset planning, preventative maintenance, and adaptation activities. With regard to investment decision-making, Dexus reviews the property characteristics and climate-related risks and opportunities of a potential acquisition before purchase through a due diligence process. This process requires details on the potential acquisition's environmental performance and climate change assessments that have been conducted, building upgrade and improvement plans, past energy, and water audits as well as costing required to implement upgrades to the property in line with the group's 5-star NABERS Energy rating target. The building performance and climate-related exposure can affect procurement decisions and investment strategy for the asset. Natural disaster risks are reviewed as part of our annual environmental audit process. The process involves analysis and determination of climate change risk level based on the inherent risk to recent and historical natural disasters. From this process key risks are identified and site mitigation plans are developed.

Dexus has applied its Framework to transition risks by assessing financial impacts from changes in energy markets resulting from the transition to a low carbon economy, and assessing consequences associated with our operational greenhouse gas emissions. The application of the Framework and assessment of financial impacts from transition risks led to Dexus adopting a progressive purchasing strategy for addressing upstream emissions relating to sourcing renewable electricity , positively impacting direct operations by implementing upgrades to properties to achieve 5-Star NABERS Energy targets, and developing a target and transition plan to achieve net-zero emissions by 2022 (previously 2030) that addresses downstream customer expectations for occupying low carbon buildings.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Risks to Dexus of potential costs associated with maintaining compliance with current regulation have been included in risk assessments of climate-related regulation through Dexus's legal compliance register. The legal compliance register details control measures that track Dexus's compliance obligations, corrective actions and status, as well as personnel that are key to ensure implementation. Examples of current regulation that present risks of increased costs include the National Greenhouse and Energy Reporting (NGER) Act 2007, Environment Protection Act 1970, Electricity Supply Act 1995, Supply (General) Regulation 2014, and Energy Savings Scheme Rule of 2009 and Renewable Energy (Electricity) Regulations 2001. For example, a compliance risk assessment for changes to the commercial building disclosure (CBD) program identified potential increased costs associated with the reduced mandatory disclosure threshold on commercial office buildings from of 1,000 square metres or more. The additional compliance cost was associated with effort to monitor compliance for and conduct NABERS assessments across the few newly obligated properties.
Emerging regulation	Relevant, always included	Dexus monitors emerging regulations and standards through its Sustainability and Compliance teams, and relevant issues are reviewed by Dexus's Climate Resilience Working Group. Dexus also monitors emerging regulations through its engagement with industry peak bodies. Examples of emerging regulation issues include enhancements to the ASX Listing Rules regarding climate change risk disclosure and changes to local government building development controls towards higher building energy efficiency criteria. Dexus factors in emerging regulatory changes within its climate resilience strategy roadmap and prices in allowances into forward operating budgets as required.
Technology	Relevant, always included	Risks to Dexus including changes in electricity use and costs associated with building technology upgrades (e.g. increased cost associated with replacing equipment with more energy efficient options to support Dexus's NABERS Energy and net zero emissions targets) have been included in company and property-level climate-related risk assessments through business case development for capital projects and innovations. Dexus's smart building blueprint seeks to leverage technological change for the long-term benefit of our workspaces, securing the relevant game changers that enhance the customer experience. It relies on six interconnected pillars: safety, sustainability, productivity, experience, wellbeing and connectivity. Building technology, plant and equipment is assessed for obsolescence and opportunities are identified that reduce costs from technologies through enhanced energy efficiency. For example, when developing Dexus's Net Zero by 2030 strategy, the Sustainability team modelled a portion of the energy efficiency savings from emerging technology.
Legal	Relevant, always included	Risks to Dexus including increased resourcing requirements and potential non-compliance costs associated with emissions reporting laws (e.g. National Greenhouse and Energy Reporting Act in Australia) have been included in company-level climate-related risk assessments through legal compliance registers. The assessments have also identified governance issues such as liability risks associated with directors' duties to consider foreseeable risks in their decision-making, which could result in increased costs and reputational impacts associated with legal action if climate-related issues are not integrated into director decision-making.
Market	Relevant, always included	Risks to Dexus including decreased revenues from reduced market demand (e.g. loss of government tenants that require energy efficient buildings) are monitored by Dexus's Property and leasing teams. For example, Dexus monitors shifts in customer demands such as, government leasing minimum requirements for NABERS ratings and Property Council of Australia's Guide to Office Building Quality with ambition to operate a sustainable, premium quality portfolio. Increased greenhouse gas emissions will negatively impact a building's NABERS rating which may prompt existing tenants with minimum performance requirements to review their lease and will adversely impact Dexus's ability to attract and retain new customers (tenants). Dexus also monitors enquiries from customers seeking to substitute their existing fossil fuel electricity supply towards renewable energy with lower emissions. This presents opportunities to install solar systems to assist them in this transition, while a failure to respond could result in lower demand and higher vacancy.
Reputation	Relevant, always included	Risks to Dexus associated with reputational damage and associated negative financial impacts (e.g. loss of investor sentiment) have been included in company-level climate-related risk assessments through ongoing stakeholder engagement and sentiment monitoring. For example, Dexus has experienced positive impact towards its brand, share value, public opinion and perception of integrity by actively reducing its emissions impact and by attaining leadership positions in several investor ESG surveys such as Dow Jones Sustainability Index, Global Real Estate Sustainability Benchmark, and CDP Climate Change. Loss of this positive reputation puts Dexus at risk of losing investment from ESG-focused investors, which may negatively impact share price and thus total shareholder return.
Acute physical	Relevant, always included	Acute physical risks to Dexus, such as increased costs associated with property damage from cyclones or other extreme weather, are included in property-level climate-related risk assessments through implementation of Dexus's environmental management system. Part of the environmental risk assessment process is the Initial Status Audit (ISA), conducted on all acquisitions. For example, Dexus conducted an ISA of 100 Mount St, North Sydney which determined that the property has low risk exposure to cyclones, and low to moderate exposure to flooding from extreme weather events. Where required, improvement plans are developed and tracked via Periskope, an internal property risk management tool.
Chronic physical	Relevant, sometimes included	Chronic physical risks to Dexus, such as potential increased costs associated with increased energy use to cool Dexus's office buildings in an increasingly warmer climate, are included in property-level climate-related risk assessments through Dexus's portfolio-wide desktop climate risk modelling. Dexus's portfolio-wide desktop climate risk modelling reviewed physical property risks against the IPCC's AR5 RCP8.5 scenario (likely worst-case scenario) using 2030 and 2070 time horizons. The assessment looks at chronic physical risks such as 2030 days over 35 degrees, 2030 summer temperatures, 2070 days over 35 degrees and 2070 mean maximum temperature risk. The outcomes of long-term modelling show moderate impacts across geographical markets in Far North Queensland, Western Australia and South Australia, which may influence investment decision making, depending on its nature and time horizon. This modelling is built into the scope of Initial Status Audits (ISA); environmental risks assessments, which are conducted on all acquisitions as part of Dexus's Environmental Management System (EMS). For example, Dexus conducted an ISA of 100 Mount Street, North Sydney, which determined that the property is unlikely to be inundated by long-term effects of sea level rise, and the projected increase in hot days will lead to increased electricity use.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Dexus must maintain ongoing compliance with Building Energy Efficiency Disclosure (BEED) 2010 Act, which requires Dexus and other commercial building owners to disclose the energy efficiency and greenhouse gas emissions (via NABERS rating) of their buildings in the event of marketing the lease and/or sale of a space and/or building with over 1,000 square metres of office space. For Dexus, this covered 77 buildings in FY21 for which Dexus is required to prepare a Building Energy Efficiency Certificate (BEEC), which comprises a) NABERS energy rating (valid for 12 months), and b) a Tenancy Lighting Assessment (valid for 5 years). The provisions of the Act also require the energy efficiency rating (via NABERS ratings) to be displayed in printed, physical and online marketing materials. Dexus faces risk of non-compliance and financial penalties for each property in the portfolio where it fails to obtain and disclose energy and emissions performance rating when marketing for sale or lease. For

example, recent changes to the BEED Act that lowered the minimum office floor area required to obtain a rating caused Dexus to increase costs across its industrial assets that were captured by the new threshold because they also contained office space (e.g. Dexus's property at 2 Lord Street, Botany New South Wales). Had Dexus not invested in these additional ratings, it would have been exposed to an additional non-compliance cost of $21,000 for each day of advertising without a rating. Based on Dexus taking 30 days to achieve a rating, this could have resulted in a fine of $630,000. Across the Dexus office portfolio, the cost of a 30 breach in advertising without a BEEC would result in cost penalties of upto $4.851 million dollars each year.

Time horizon
Short-term

Likelihood
Very unlikely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
21000

Potential financial impact figure – maximum (currency)
3150000

Explanation of financial impact figure
Dexus faces a potential financial impact of $21,000 per day for each property, which would be the daily penalty for non-compliance associated with requirements to disclose building energy and emissions performance through the Disclosure Act 2010 (BEED Act), which is an increased compliance cost associated with requirements to disclose building energy and emissions performance. This is assuming 5 buildings do not meet this requirement each for 30 days, Dexus would face a penalty of $630,000 per building or a total impact of $3,150,000. Minimum potential financial impact ($21,000) = $21,000 daily penalty x 1 building x 1 day of non compliance. Maximum potential financial impact ($3,150,000) = $21,000 penalty x 30 days of non compliance x 5 buildings not in compliance. Other potential impacts include loss of rent from increased vacancy; inability to transact on a property sale incurring delayed settlement fees; reputational damage if pursued by the administrator.

Cost of response to risk
514000

Description of response and explanation of cost calculation
Since 2012, Dexus has embedded the BEED Act into its business to ensure compliance with all parts of the legislation. Dexus maintains a program of continuous NABERS ratings and BEEC documentation to ensure it is compliant with the provisions of the legislation. We have used the NABERS tool since 2008 as a benchmarking took and had already rated all eligible properties annually before the impending legislation irrespective of leasing situations. Dexus continues to NABERS rate all properties and conducts Commercial Building Disclosure Lighting Assessments on each building and ensures buildings support BEECs. For example, as at 30 June 2021, Dexus had rated 58 office and retail precincts plus 2 industrial properties under NABERS, representing 31% of all properties by number and 79% of total funds under management ('FUM'). Remaining properties have been assessed as being exempt from BEEC obligations or not-at-risk of non-compliance. We intend to increase this percentage over the next 3 years as we grow our portfolio.

Dexus cost impacts include: cost to change marketing collateral already in circulation (leasing brochures, web sites, leasing sign board materials), cost of NABERS assessments on unrated properties; cost of NABERS assessments brought forward for those properties due to expire, cost of applications for exemptions. Costs from ratings for mixed use premises prior to clear guidelines being finalised. Legal costs arising from the interpretation of the Act. Collectively each property incurs costs that result in $500,000 in cumulative annual costs across Dexus.

Dexus cost incurred in response to risk ($514,000) = $112,000 (certification fees) + $393,000 (NABERS assessors costs) + $9,000 (NABERS assessments travel expenses).

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Chronic physical	Changing temperature (air, freshwater, marine water)

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Dexus manages properties across Australia's major capital cities and Australia has an elevated risk of experiencing bushfires due to the climate conditions and biodiversity composition of the country. The smoke and ash from these bushfires can cause abnormally high levels of airborne pollutants across Australia's major CBDs and metropolitan areas. The bushfires that impacted Australia in the 2020 summer were the worst in recorded history and Australian cities recorded the poorest air quality globally for approximately 30 days. The poor outdoor air quality presents challenges to maintaining healthy indoor environments for Dexus's employees, tenants and customers across its managed portfolio. For example, during the bushfires, one Dexus office building in Sydney recorded an average indoor air quality (IAQ) rating of 37PM10. When the property was assessed prior to the bushfires, the property recorded an average IAQ rating of 15PM10. The potential for more regular/extreme events could have a significant financial impact on business and disrupt property operations, including reduced productivity of Dexus's employees and customers, due to the impacts of poor indoor air quality on occupant health and safety.

Time horizon
Short-term

Likelihood
Very unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1664000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The potential financial impact figure is $1,664,000. This represents the lost productivity of Dexus's employees and customers due to non-attendance at work because of abnormally high levels of airborne pollutants which may give rise to respiratory issues. The quoted figure assumes 1% (1,300 people) of Dexus's building occupants (including Dexus employees) are unable to attend work because they may experience respiratory issues and assuming $256 per person (average Australian daily salary sourced from the Australian Bureau of Statistics) is lost per day over 5 business days. Potential financial impact ($1,664,000) = 1,300 (people affected by respiratory issues) x $256 (average daily salary) x 5 days (each worker is absent from work due to respiratory issues).

Cost of response to risk
229000

Description of response and explanation of cost calculation
Two of the key values in the Dexus Sustainability Approach are Future Enabled Customers and Strong Communities and Thriving People. They address direct material issues relating to the health, safety and security of Dexus's employees and customers, including ensuring the IAQ of Dexus's buildings are within the recommended PM10 range and that air filters in building HVAC systems are operating as expected. Dexus has conducted indoor environmental quality assessments using the NABERS Indoor Environment (NABERS IE) tool since 2019. In FY20, Dexus commissioned site-specific stress testing of IAQ for 20 properties to evaluate the effectiveness of air filtration systems and management practices and updates to Dexus's Environmental Management System (EMS), with consultancy costs of approximately $50,000. To upgrade the air filters in the HVAC systems at all Dexus managed sites over the next 2 years (circa 1.5 million sqm) from M5 to higher grade F7 filters, which is the standard filter grade for the majority of Dexus's buildings, the total cost would be approximately $179,000. This cost does not include the costs of any building upgrades that may be required to accommodate higher grade filters. Dexus cost incurred in response to risk ($229,000) = $50,000 (consultancy fees to test building IAQ) + $179,000 (filter upgrade costs).

Comment
Filter upgrade costs vary by site depending on the size of the sites HVAC system.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact
Decreased access to capital

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Reputational risk is of primary concern to Dexus and the financial implications of not managing this risk can have a significant impact investors' appetite to invest in Dexus, resulting in a lower share price and less institutional investors selecting Dexus as their investment manager. Through increasing engagement with investors, Dexus understands their drivers to invest responsibly, and the scrutiny they apply to assess Dexus's ESG performance, including Dexus's approach and track record regarding climate change issues and emissions reduction. Dexus's reputation for proactively managing inherent risks such as that presented by climate change is critical to attracting new capital and impacts Dexus's ability to deliver investor returns and enable future growth through access to additional capital. Dexus is already seeing examples of investors divesting out of businesses that exhibit high carbon intensity and/or do not articulate a clear strategy for addressing climate change risks.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
250000000

Potential financial impact figure – maximum (currency)
625000000

Explanation of financial impact figure

The potential financial impact of $250,000,000 (minimum) to $625,000,000 (maximum) relates to a decrease in available third party investor capital to Dexus following decreased investor appetite to invest in Dexus due to negative reputational impact or our inability to demonstrate ESG credentials. This is calculated as 1 (minimum) to 2.5 (maximum) percent of the $25 billion of funds under Dexus management in FY21. The inherent financial impacts of Dexus's reputational risk can be measured through its ability to attract new capital, raise new debt, and deliver required returns to investors and enabling future growth, having a more competitive cost of capital and superior security price performance.

Cost of response to risk
200000

Description of response and explanation of cost calculation
Dexus creates value for its stakeholders and manages its reputation through a commitment to a robust governance and management structure and its dedicated response to reporting requirements. Dexus systematically identifies, quantifies and responds to ESG issues within strategic decision making and operations. Dexus has been a signatory to the PRI since 2010 and has integrated these principles. Dexus conducts ESG due diligence for property transactions, applies technology and operational expertise to reduce resource use and greenhouse gas emissions, and partners with like-minded suppliers. Dexus conducts an ongoing comprehensive risk audit program to identify and evaluate and mitigate risks including those posed by climate change. Dexus sets ongoing continuous improvement emissions reduction targets for its property portfolio and monitors operational efficiency and performance targets set for its third-party property managers. Dexus has proactively disclosed through environmental performance benchmarks since 2008 including DJSI, FTSE4Good Index, MSCI and the group's commitment to the CDP. For example, leadership in sustainability was recognised within the 2021 GRESB Real Estate Assessment with the Dexus Office Trust ranked 4th globally amongst listed office entities. We intend to continue to maintain disclosure and high performance rankings over the next 10 years. Dexus incurs additional, direct costs of approximately $200,000 per annum to maintain its reputation as a leader in incorporating sustainability and addressing climate change by participating in the above global sustainability surveys. Dexus cost incurred in response to risk ($200,000) = $125,000 (staff management costs) + $75,000 (fees associated with responding to ESG benchmarks and maintaining memberships).

Comment
Surveys include PRI, GRESB, S&P Global Corporate Sustainability Assessment (DJSI) and CDP Climate Change. And memberships include Green Building Council of Australia (GBCA) and Investor Group on Climate Change (IGCC).

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
There is opportunity for Dexus to expand its onsite solar PV array program to its industrial properties to partner with its customers (tenants) to reduce their emissions, whilst also providing an additional revenue stream to Dexus. This is achieved through selling the electricity generated from the solar panels to third party solar providers. Dexus has identified its Quarry at Greystanes industrial site in NSW as a potential site to partner with customers to expand the solar opportunities that potentially exist at its industrial assets. Dexus has conducted an initial assessment of the site which has the capacity to install a solar system that is estimated to generate over 5,400,000 kWh of electricity, which represents up to $540,000 in increased revenue per annum. The scale of this type of solar system can offer energy intensive customers significant saving to their electricity costs and reduce their carbon emissions to support their corporate sustainability goals.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
160000

Potential financial impact figure – maximum (currency)
540000

Explanation of financial impact figure
The indicative increase in revenue is between $160,000 (1.2MW system) and $540,000 (2MW system) per annum, which is calculated by applying an energy cost rate of $0.10 per kWh of the forecasted electricity range generated per annum. Over a 12-month period, the solar array at Quarry at Greystanes has the potential to generate up to

5,400,000 kWh of energy.

A breakdown of these potential financial impact figures would show that the indicative increase in revenue is between $160,000 (1.2MW system = 1,600,000 kWh per annum) and $540,000 (2MW system = 5,400,000 kWh per annum), which is calculated by applying an energy cost rate of $0.10 per kWh of the forecasted electricity range generated per annum. Therefore, the potential financial impact figure: Minimum ($160,000) = 1,600,000 kWh (1.2MW PV system) x $0.10 per kWh and Maximum ($540,000) = 5,400,000 kWh (2MW PV system) x $0.10 per kWh.

Cost to realize opportunity
2400000

Strategy to realize opportunity and explanation of cost calculation
To realize this opportunity of increased revenues through expansion of our solar PV program, we have invested in multiple solar projects across its industrial properties in Australia, the most notable being the expansion of solar at our Quarry at Greystanes site in NSW. This opportunity was realised as part of a quarterly risk review, in which the risk department identified that an opportunity to increase revenues as tenants are increasingly looking for sites with solar installation. In late 2020, Dexus conducted initial site assessments of suitable industrial properties, and the Greystanes facility was one of five deemed to have significant potential for expansion, together projected to increase our revenues by 5% over the next 5 years by selling the electricity generated to third party solar providers. The subject to commercial approvals, this project would commence in 2022, and is expected to be complete by 2023, when we will start to generate 1.2-2MW of electricity per annum from these arrays.

The cost to realize this opportunity includes the monthly costs charged by our chosen solar providers to install the PV arrays at Quarry at Greystanes from July to December 2022. Cost to realize ($2.4 million) = $480,000 (monthly charge) x 5 months.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Participation in carbon market

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
NSW Energy Savings Scheme (ESS): The ESS is a white certificate scheme in which businesses can register energy efficiency projects and create Energy Savings Certificates (ESCs) for each tonne of achieved greenhouse gas abatement. Dexus seeks to leverage the capital works undertaken within its NABERS improvement program to generate ESCs on an annual basis. For example, Dexus's portfolio in New South Wales generated 6,286 ESCs in FY21 through demonstration of electricity reductions due to energy efficiency projects. Revenue from sale of ESCs is estimated at approximately $220,000 per annum based on a price of $35 per ESC and is used to offset operational costs. The scheme is forecast to continue until 2025.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
220000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Dexus forecasts diminishing annual revenue between FY20 and FY21 of approximately $220,000 per annum based on a price of $35 per ESC. These funds have and will continue to offset operational costs which benefit both Dexus and its customers (tenants).

Cost to realize opportunity
52000

Strategy to realize opportunity and explanation of cost calculation
Dexus has participated in the Energy Savings Scheme since 2012 as an Accredited Certificate Provider and received accreditation for a Registered Energy Saving Activity (RESA) which outlined Dexus's proposed method, in line with prescribed methods, for generating ESCs in arrears based on changes in each property's NABERS Energy rating. Dexus established a baseline NABERS Energy rating prior to energy efficiency projects being implemented. Following 12 months of operation post project implementation Dexus re-rated each property and calculated the number of ESCs to generate based on the accredited method. Dexus then created the agreed number of ESCs and proceeded to sell those into the market. For example, in FY21 Dexus created 6,286 ESCs based on demonstration of electricity reductions due to energy efficiency projects. Dexus continues to rate each property on an annual basis to facilitate future claims over the next two years. Dexus has incurred costs with establishing itself as an Accredited Certificate Provider, including obtaining legal advice, collecting data and preparing baselines, internal labour costs and application fees. Dexus's annual cost to assess the energy efficiency of the eligible properties using NABERS Energy, which in turn supports participation in the Energy Saving Scheme, is approximately $52,000.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan
Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan
Yes

Mechanism by which feedback is collected from shareholders on your transition plan
We have a different feedback mechanism in place

Description of feedback mechanism
Dexus maintains an active engagement with investors which includes discussions on ESG topics such as climate resilience and decarbonisation. Investors provide feedback on Dexus's target ambitions and timeframes, and its transition strategy and initiatives.

Frequency of feedback collection
Annually

Attach any relevant documents which detail your transition plan (optional)
Dexus new energy new opportunities.pdf

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future
<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios: IEA B2DS	Company-wide	<Not Applicable>	Used to inform energy use and price modelling out to 2030, with comparison against sector decarbonisation required to align with a 2°C warming trajectory, to support the development of Dexus's target to achieve net zero emissions by 30 June 2022. Dexus applied the Science Based Targets initiative sectoral decarbonisation trajectory using IEA 2°C scenario (International Energy Agency), using baseline input parameters for emissions and square metres of real estate under management, plus the baseline and target years. As part of the modelling, Dexus analysed the impact of various decarbonisation initiatives including electrification, on site renewable energy generation, energy efficiency and purchasing of grid-based renewable energy.
Physical climate scenarios: RCP 8.5	Company-wide	<Not Applicable>	Dexus's climate scenario analysis uses results from the highest emissions scenario (RCP8.5) from the 2014 IPCC report. This scenario was chosen to provide Dexus with an indication of worst-case climate-related outcomes, including the magnitude and specific locations where they are likely to occur. A geospatial analysis was conducted adapting the scenario to local geographical markets to map Dexus properties against their relevant climate-zones and link to the scenario outcomes. Risk exposure was rated for each property from Low to High using Dexus's standard 2-dimensional risk rating matrix, which assesses likelihood (from almost certain to rare), and consequence (from insignificant to catastrophic) for each type of physical risk. The scenario analysis was supplemented with NARCliM the highest resolution dataset available for Australia. The analysis excluded the climatic variabilities of humidity, solar radiation and mean wind speed due to their immaterial impact on the business. Analysis has informed overall level of physical risk and nominated identified-risk across all existing properties and identified and geographical hotspots. Climate scenario analysis is used to inform Dexus's acquisition strategy. During the acquisition process, Dexus conducts due diligence on the property's physical risk exposure in reference to the existing portfolio's exposure rankings, which has been reviewed over a 2030 and 2070-time horizons, as these typically align with the property's expected lifespan. In addition, Dexus has applied climate scenario analysis outcomes to inform energy use and price modelling out to 2030 with comparison against sector decarbonisation required consistent with 2 degrees warming against pre-industrial levels. This analysis has been used to align future targets with science-based outcomes to avoid serious climate-change effects and develop future targets on energy efficiency and renewable energy.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

IEA B2DS: What are the key initiatives Dexus must implement to achieve deep, rapid decarbonisation, and what is the rate of decarbonisation required?
RCP 8.5: How does a 'high impact' climate warming scenario impact Dexus, what are the key physical risks (e.g. extreme weather events), and where are they more likely to occur?

Results of the climate-related scenario analysis with respect to the focal questions

IEA B2DS: the results of the climate-related scenario analysis indicated that, for the world to achieve 2-degrees or less of warming by 2050, decarbonisation efforts from corporates must be ambitious and accelerated. For the real estate and infrastructure sectors, it is expected that low-emissions technologies and the use of renewable energy are scaled up drastically to see at least a 2% yearly reduction in global emissions. For Dexus, to comply with the rate of decarbonisation required for our sector, this outcome from the analysis helped establish our decarbonisation strategy and priority emissions reduction initiatives. For example, despite our accelerated efforts to invest in energy efficiency since 2009, the key opportunity identified was switching our energy to renewable sources, which we think is feasible within the next 3 years for 100% of our managed facilities. Additionally, switching 75% of our natural gas use to electricity in buildings will contribute to emissions reductions over a longer time period. Therefore, continued investment in energy efficiency, plus a transition to 100% renewable electricity by 2030 are the key initiatives required for Dexus to reduce emissions in line with the scenario.

RCP 8.5: physical risk analysis highlighted the properties most risk of acute weather events (e.g. properties in hail-prone areas around Sydney and Brisbane). It also highlighted that the chronic issues of heat stress and extreme heat days will become a major risk in the coming decades.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Risks such as decreases to revenue, as well as opportunities associated with increased revenue, have impacted Dexus's products and services where there has been changing consumer preferences for energy efficient buildings that offer lower operational costs, particularly customers with minimum energy efficiency standards such as government customers (tenants). The magnitude of this impact has been high and occurring in the short term because the impacts of changing consumer preferences affect the entire Dexus-managed office portfolio and are being experienced at present. For example, a 1% reduction in occupancy due to changing consumer demand would reduce rental income by approximately $5.5 million per annum across Dexus's listed office portfolio. The most substantial strategic decision made to date that was influenced by these risks is the establishment of Dexus's net zero emissions by 2030 target. To support progress toward this target, Dexus applies a formal process to track building operational performance, via monthly performance meetings to track NABERS ratings, building upgrades and occupancy. Energy performance data is collected daily and feedback/diagnosis is provided to building managers to maintain or improve ratings. Dexus provides flexibility to accommodate customer needs through its 'simple and easy' lease and has embedded 'green leasing' within Dexus's new precedent lease to encourage customers to collaborate with Dexus on integrating sustainability within their buildings and tenancies. Dexus is also progressing options for on-site and off-site renewable energy to supply base building and tenant requirements as part of Dexus's climate resilience strategy, to reduce energy market volatility and climate exposure through progressive purchase agreements (PPA) and rooftop solar PV. Industrial rooftop leasing for solar PV is a product opportunity being investigated that reinforces Dexus's sustainability leader credentials and can add additional rental income to industrial properties.
Supply chain and/or value chain	Yes	Risks associated with increased cost of energy resulting from carbon pricing have impacted Dexus's supply chain in the short-term, as procurement of energy, water and cleaning have been identified as services with a high impact on Dexus's emissions. The magnitude of this impact is medium as energy, water and cleaning services represent approximately 20% of overall spend and extend across the entire Dexus managed portfolio. The most substantial strategic decision made in response to this risk has been the development of a mandatory Supplier Code of Conduct which sets out environmental performance objectives and expectations that suppliers contribute to Dexus's net zero emissions by 2022 (formerly 2030) target. In addition, Dexus develops and manage relationships with suppliers and contractors to encourage them to promote a best practice approach to employment practices, social outcomes and the environment. With increasing appetite for Green Star design and as-built ratings, Dexus has engaged building contractors across its developments to disclose the environmental impacts of their products, as specified in performance targets for new builds. Dexus looks to engage suppliers with high climate risk exposure to gain an understanding as to how those businesses are managing their climate risk. Dexus is also progressing opportunities to leverage Australia's transition to a low carbon economy, in line with Dexus's net zero emissions target and climate resilience strategy. For example, Dexus has completed feasibility studies at Quarry at Greystanes Industrial Estate in NSW and is progressing to tender on viable opportunities. Dexus will capitalise on further opportunities with third party renewable energy generators in the future.
Investment in R&D	Yes	Opportunities associated with enhanced energy efficiency, and thus reduced energy costs, have impacted Dexus's investment in R&D in the short term, where Dexus has invested in initiatives in its buildings to support the transition to a low carbon economy. This enables Dexus properties to maintain their cost-competitiveness and enable Dexus to meet increasing customer demands for high performing buildings. The magnitude of this impact is medium because climate-related issues are directing Dexus to focus on research and development that improves energy efficiency and reduces operating costs across its managed portfolio. Specific opportunities with application across the entire Dexus managed portfolio include benchmarking to drive energy efficiency and position Dexus as a market leader to protect and enhance its reputation, as well as leveraging government energy efficiency schemes to enhance project payback. The most substantial strategic decision made in response to this risk has been the rollout of Dexus's onsite solar renewables program. Across its industrial and retail properties, Dexus is collaborating with renewable energy generators on innovative delivery models for adding rooftop solar. Other R&D initiatives include engaging specialists to conduct feasibility studies on emerging technology, for example replacing gas boilers with electric equivalents, replacing refrigerants with a lower global warming potential, and geothermal heat pumps. Dexus trials emerging and market-tested technology prior to rolling out to the rest of its portfolio. For example, Dexus trialled a virtual engineering smart data program that applies 24/7 real-time analytics on building performance, improving energy efficiency and delivering cost savings. Following success of the virtual engineer trial, Dexus rolled out the program to 54 properties. To align with Dexus's net zero target, the sustainability team is collaborating with asset managers to take advantage of lifecycle upgrades as opportunities to retrofit building services and improve efficiency. Dexus expects that the innovation in energy efficiency and clean energy sector will drive and are critical in achieving 6-star NABERS energy ratings over the medium- to long-term.
Operations	Yes	Risks such as increased costs from property damage associated with extreme weather impacts, as well as opportunities such as decreased costs from energy efficiency initiatives, have impacted Dexus operations in the short term. The magnitude of impact related to property damage from extreme weather is generally low, but is higher in areas of known exposure, such as Far North Queensland. The magnitude of impact from energy efficiency initiatives is high as it relates to the entire Dexus managed portfolio. Dexus analyses and implements operational efficiencies to reduce energy use, develops budgets that take into consideration forecast movements in energy prices which are driven, in part, by climate related impacts. Energy is a significant operating cost, contributing around 10% of Dexus property-related operating expenses. The most substantial strategic decisions made to manage these risks is Dexus's group-wide wide procurement of electricity to reduce costs and manage climate-related risks, as well as Dexus's tracking of performance and identification of energy efficiency opportunities across the portfolio. To guide operations, Dexus has established environment policies, set continuous improvement targets, sustainability facility management team, installed metering and analytics, implemented an Environmental Reporting System, established NABERS tracking and continuous certification, and developed property-level energy efficiency Strategic Improvement Plans. Dexus conducts ESG due diligence for property transactions, applies technology and operational expertise to reduce resource use and emissions. In addition, regulatory compliance, capital investment, carbon analysis and education of staff, investors and other stakeholders form part of the way Dexus undertakes its responsibilities regarding carbon management. Dexus manages reporting compliance by utilising internal analysts and specialist consultants to manage, collect, maintain and assure environmental and emission data, and monitors all published material. To manage physical property risk, Dexus implements an Environmental Management System, certified under ISO 14001:2015. To manage Dexus's reputation and attract new capital, Dexus responds to investor questionnaires, ESG analyst data requests and sustainability benchmarking surveys to report on climate risk management and mitigation activities.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Access to capital	INFLUENCING REVENUE PLANNING Opportunities from leasing roof space to third-party renewable energy generators have impacted the financial planning process for revenues in the short- and medium-term as the rooftop leasing model would increase the rental income generated from Dexus industrial properties and/or generate Large-scale Generation Certificates (LGCs) as potential additional revenue. Opportunities associated with customers increasing preference for energy efficient office buildings have impacted the financial planning process with regard to revenues through potential green premiums and increases in occupancy (and thus revenue) of energy efficient buildings. The overall magnitude of the impact of climate related risks and opportunities on the financial planning process with regard to revenue is low, however it applies to all properties across the group to some extent. The Dexus Research team monitors all key markets in which Dexus operates to understand and incorporate key megatrends, such as climate impacts on valuations, vacancy rates and rental returns. This research is used to inform annual asset planning in conjunction with upcoming lease expiry and market activity. INFLUENCING DIRECT COSTS PLANNING Climate-related physical risks associated with extreme weather damage to assets have impacted the financial planning process with regard to direct operating costs in the short-term as Dexus has forecasted increases in insurance premiums due to the tightening insurance market which is associated with increased climate-related claims. The magnitude of this impact is high for Dexus buildings in Far North Queensland that are exposed to tropical cyclones. In addition, risks associated with increased energy expenditure due to cost increases, as part of broader analysis of future energy market supply and demand, have impacted the financial planning process with regard to direct operating costs as Dexus has included considerations in budget items for base-building energy usage. INFLUENCING CAPITAL EXPENDITURE PLANNING Opportunities from enhancing building energy efficiency to reduce carbon emissions and save on energy costs have impacted the financial planning process with regard to allocation of capital expenditure in the short- and medium-term through the inclusion of items such as building plant upgrades that enhance energy efficiency. Climate-related physical risks associated with extreme weather damage have impacted the financial planning process with regard to capital expenditure through the inclusion of building resilience upgrades into capital expenditure budgets. INFLUENCING ACQUISITIONS AND DIVESTMENTS Climate-related physical risks such as sea level rise and transition risks such as building energy efficiency performance have impacted the financial planning process with regard to acquisitions and divestments across the short-, medium- and long-term though integration of climate-related risks into investment due diligence and decision-making. The due diligence process is used to identify ESG risks, such as exposure to physical climate risk, the ability to attract and meet customer (tenant) demand based on asset energy performance and the capital expenditure required to align the asset to meet Dexus's sustainability targets over the short- to medium-term. INFLUENCING ACCESS TO CAPITAL Opportunities associated with increased investment from ESG-focused investors have impacted the financial planning process with regard to access to capital in the short-term, as Dexus has attracted funding from clean energy interests for its Healthcare Wholesale Property Fund. Dexus's fund management clients have shown increasing interest in strong management of climate-related issues. Reputational considerations have impacted the financial planning process with regard to access to capital, as Dexus has increased its budget allocation towards participation in global surveys to improve transparency and assist Dexus to demonstrate its sustainability credentials when seeking new capital. Dexus allocates resources and costs to disclose its environmental performance through sustainability benchmarks including DJSI, GRESB, PRI, FTSE4Good Index, MSCI, and CDP Climate Change.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
18971

Base year Scope 2 emissions covered by target (metric tons CO2e)
129372

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
148343

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
70

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
44502.9

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
16361

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
84648

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
101009

% of target achieved relative to base year [auto-calculated]
45.5835462408068

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Dexus has committed to reduce Scope 1 and Scope 2 emissions by 70% by 2030 relative to a 2018 base year, in line with the Science-based target initiative sectoral decarbonisation approach for real estate. This supports a broader target which by Dexus has committed to achieve a net zero position for all carbon emissions across the group's managed property portfolio by 2030, which requires a 100% reduction, or net-zero scope 1, 2 emissions by 2030 across Dexus's operational control boundary. The SBT will be achieved through operational efficiency and renewable energy. The net zero emissions target will extend this, and be supported by minimal offsets to achieve a net zero position. The target includes emissions from energy use, refrigerant leakage, water and waste emissions from base building operations across all properties under Dexus's operational control, and excludes tenant electricity use, and all emissions from properties where a tenant or co-owner has operational control.

Plan for achieving target, and progress made to the end of the reporting year
Dexus's plan involves a) Ongoing focus on energy efficiency optimisation - Dexus will seek improve energy productivity across its office properties by a) implementing fault detection analytics to actively monitor building operations to help site teams identify and address energy waste, and b) progressively retrofit its building systems such as lighting, lifts and air conditioning to replace aged, inefficient plant and equipment with high efficiency alternatives, and b) Sourcing 100% of electricity needs from renewables - Dexus plans to enter into long-term power purchase agreements for the offtake of renewable electricity from accredited wind and solar power stations. Dexus will also look to progress opportunities to switch its fuel use from natural gas to renewable electricity. In FY21 Dexus emitted 101,009 tonnes CO2-e, which represents a 46,977 tonne CO2-e or 31.7% reduction against its 2018 baseline of 148,343 tonnes CO2-e, equating to 45.6% progress against its 2030 goal.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 2

Year target was set
2019

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 13: Downstream leased assets
Category 15: Investments

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)
506507

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
506507

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
25

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
379880.25

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
475588

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
475588

% of target achieved relative to base year [auto-calculated]
24.4174315458622

Target status in reporting year
Underway

Is this a science-based target?
No, but we are reporting another target that is science-based

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
Dexus has committed to reduce scope 3 emissions by 25% by 2030 relative to a 2018 base year, in line with the Science-based target initiative sectoral decarbonisation approach for real estate. This supports a broader target which by Dexus has committed to achieve a net zero position for all carbon emissions across the group's managed property portfolio by 2030, which requires a 100% reduction, or net-zero scope 1, 2 emissions by 2030 across Dexus's operational control boundary. This target will be achieved through collaboration with customers on tenancy operational efficiency, waste management and transitioning to renewable energy. This target relates to tenant electricity use, and all emissions from properties where a co-owner has operational control.

Plan for achieving target, and progress made to the end of the reporting year
Dexus's plan involves a) Ongoing focus on energy efficiency optimisation - Dexus will seek improve energy productivity across its office properties by a) implementing fault detection analytics to actively monitor building operations to help site teams identify and address energy waste, and b) progressively retrofit its building systems such as lighting, lifts and air conditioning to replace aged, inefficient plant and equipment with high efficiency alternatives. This will reduce energy-related scope 3 emissions and b) Sourcing 100% of electricity needs from renewables - Dexus plans to enter into long-term power purchase agreements for the offtake of renewable electricity from accredited wind and solar power stations, c) Collaborating with customers to reduce the amount of waste sent to landfill by implementing multi-stream recycling systems, d) Supporting customers to transition to renewable electricity for their tenancy via onsite solar programs together with purchasing assistance. In FY21 Dexus estimates it emitted 475,588 tonnes CO2-e in scope 3 emissions, primarily from tenant electricity use and downstream investments. This represents a 6.1% reduction against its 2018 baseline of 506,507 tonnes CO2-e, equating to 24.4% progress against its 2030 goal.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2020

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2020

Consumption or production of selected energy carrier in base year (MWh)
141843

% share of low-carbon or renewable energy in base year
25.7

Target year
2030

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
30.7

% of target achieved relative to base year [auto-calculated]
6.72947510094213

Target status in reporting year
Underway

Is this target part of an emissions target?
Yes, Dexus's renewable energy sourcing target is directly related to emissions target Abs1.

Is this target part of an overarching initiative?
RE100

Please explain target coverage and identify any exclusions
As a signatory to RE100, Dexus committed to sourcing 100% of base building electricity from renewable sources by 2030, with an interim target to "Source at least 70% of electricity from on-site and off-site renewable sources across the group's managed portfolio by FY25. Dexus's RE100 goal involves purchasing electricity from accredited renewable electricity generators for Dexus's Australian properties across the office, industrial and retail portfolios where Dexus has operational control measured on a financial year compared to a FY20 baseline. The target excludes properties where Dexus does not have operational control.

Plan for achieving target, and progress made to the end of the reporting year
Building on its commitment to RE100 to adopt 100% renewable energy, Dexus plans to enter into long-term power purchase agreements for the offtake of renewable electricity from accredited wind and solar power stations. In FY21 Dexus finalised power purchase agreements for renewable electricity supply across its Queensland and Victorian portfolios with commencement dates in FY21 and FY23 respectively. During FY21 Dexus increased its purchasing of certified GreenPower and continued its rollout of rooftop solar systems. In the 12 months to June 2021, Dexus sourced 30.7% of its electricity from renewable sources and with the commencement of new power purchase agreements, Dexus expects to increase this significantly over the next 2 years.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2021

Target coverage
Business activity

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	Other, please specify (MJ)

Target denominator (intensity targets only)
square meter

Base year
2019

Figure or percentage in base year
332

Target year
2025

Figure or percentage in target year
299

Figure or percentage in reporting year
282

% of target achieved relative to base year [auto-calculated]
151.515151515152

Target status in reporting year
Underway

Is this target part of an emissions target?
Dexus's 10% energy reduction target is directly related to emissions target Abs1.

Is this target part of an overarching initiative?
EP100

Please explain target coverage and identify any exclusions
Within its 2021 Sustainability Report, Dexus set a target to "reduce energy intensity by 10% across the managed office portfolio by FY25 against a 2019 baseline." This target involves achieving a 10% improvement in energy efficiency for base building operations reduction across Dexus's managed office portfolio measured on a financial year compared to a 2019 baseline. It was determined that it is more appropriate for Dexus to report and benchmark on an intensity basis due to property acquisitions and disposals and changes of operational control within the portfolio. The target relates to office properties only and excludes Retail, Industrial and Healthcare properties.

Plan for achieving target, and progress made to the end of the reporting year
Aligning with the principles of EP100, Dexus will seek improve energy productivity across its office properties by a) implementing fault detection analytics to actively monitor building operations to help site teams identify and address energy waste, and b) progressively retrofit its building systems such as lighting, lifts and air conditioning to replace aged, inefficient plant and equipment with high efficiency alternatives. In FY21, Dexus has reduced energy intensity from 332 MJ/square metre to 282 MJ/square metre, realising a 15.1% reduction. Implementation of additional efficiency projects should see further progress over the next 3 years.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2022

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions
Within its 2021 Sustainability Report, Dexus updated its target to achieving net zero emissions by 2022 across the Group-managed office, retail, industrial and healthcare portfolio, bring forward its original 2030 deadline by eight years. The target involves achieving zero emissions across operational Scope 1 and Scope 2 and selected Scope 3 emissions (where Dexus controls the emissions outcome, including upstream and energy-related emissions and emissions resulting from waste from operations and water/waste-water use). Dexus's pathway to net zero involves increasing energy and resource efficiency, utilising renewable energy and fuel switching away from fossil fuels, and minimal offsetting. Transitioning to 100% renewable electricity will account for circa 82% of Dexus's net emissions and the remaining circa 18% of emissions will be offset using nature-based offsets (e.g. bush regeneration projects) purchased through the Australian carbon credit unit market or appropriately certified international projects.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	58	0
To be implemented*	138	13098
Implementation commenced*	0	0
Implemented*	18	19008
Not to be implemented	43	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
185

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
9366

Investment required (unit currency – as specified in C0.4)
73000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from C4.3a. Average pay back period is 5 years, based on the additional energy efficiency investment required to improve performance above lifecycle replacement cost which resulted in reductions in the scope 1, 2 and 3 greenhouse gas emissions. Dexus's building controls upgrade program consists of replacing or enhancing building management control systems (BMCS) including: 1) hardware upgrades to direct digital control (DDC); 2) adding additional monitoring and control points (e.g. energy valves with inbuilt sensors) to provide more granular visibility and control; 3) whole building BMCS replacement with current best practice systems. Opportunities are identified by site teams, during proposed refurbishment works or via energy audits. Building control recommendations were presented to optimise NABERS outcome, occupant comfort and contribute to long term performance targets.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
1545

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
235525

Investment required (unit currency – as specified in C0.4)
2913908

Payback period
11-15 years

Estimated lifetime of the initiative
21-30 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from Question 4.3a. Average pay back period is 12.4 years, based on the additional energy efficiency investment required to improve performance above lifecycle replacement cost which resulted in reductions in the scope 1, 2 and 3 greenhouse gas emissions. Dexus's HVAC efficiency program seeks to reduce energy consumption, maintain tenant comfort conditions and maximise HVAC system performance, via: 1) plant and equipment upgrades; 2) reducing 'mid-season' consumption by use of fresh air economy cycles and optimum start controls; 3) reticulation systems to variable volume utilising variable speed drives; 4) balancing and commissioning to optimise operational performance.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
159

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
27203

Investment required (unit currency – as specified in C0.4)
239939

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from C4.3a. Average pay back period is 8.8 years, based on the additional energy efficiency investment required to improve performance above lifecycle replacement cost which resulted in reductions in the scope 1, 2 and 3 greenhouse gas emissions. Dexus's lighting upgrade program involves the installing high efficiency luminaires and lamps as follows: 1) upgrades using T5 and LEDs for common areas including foyers, lift lobbies, external security lighting and within 'spec' fitouts; 2) adding movement, occupancy and daylight controls; 3) HID high-bay lamps with lower wattage LED replacements. Maintenance service providers collaborate with asset managers to identify and implement opportunities in order to achieve building energy performance and NABERS targets including Dexus's 10% energy reduction target.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
1946

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
432521

Investment required (unit currency – as specified in C0.4)
913000

Payback period
1-3 years

Estimated lifetime of the initiative
21-30 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from C4.3a, and comprises the annual avoided emissions and costs from existing solar arrays in operation. The cost refers to capital costs for new solar arrays installed during the year. This equates to an average pay back period of 2 years. Dexus's solar program involves the installing solar PV on commercial, retail and industrial rooftops and on shade sail structures in retail car parks. This initiative is aligned with Dexus's commitment to RE100 to source its electricity from renewable sources.

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)
2603

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
3-5 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from C4.3a, and comprises the annual avoided emissions and costs from Dexus operational waste management program. The cost and savings are set as nil as Dexus's waste fees are embedded within its cleaning contracts and savings made are provided as an incentive to cleaners to promote recycling. Dexus's waste program involves a standard 4-bin system whereby tenants separate their waste into organics (sent for anaerobic digestion or composting), paper and cardboard, mixed recycling (sent for material recovery), and general waste, which is sent to facilities that conduct secondary recovery prior to landfilling.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)
12570

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
6-10 years

Comment
The estimated annual CO2 savings relates to projects listed as "Implemented" from C4.3a, and comprises the annual avoided emissions and costs from renewable electricity purchased via power purchase agreements. The cost and savings are set as nil as they form part of Dexus's standard electricity procurement approach. Dexus has an active management approach towards its energy procurement which helps progress the group's net zero emissions target, leveraging its scale to secure competitive pricing, load flexibility and renewable electricity supplies. All current electricity tenders request 100% renewable electricity for base building consumption, which has

become a standard approach across the portfolio. These agreements typically have a future start date and in the interim Dexus purchases accredited GreenPower or Large-scale Generation Certificates (LGCs) until these agreements take full effect. Dexus's approach is to source renewable electricity from GreenPower accredited power stations; primarily wind and solar.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Dexus runs an Annual Risk and Sustainability roadshow for operations employees to improve training in emissions reduction and assist with implementation of specific programs. The training of Dexus employees is an integral component of ensuring investment in emissions reduction activities is supported and further innovation is encouraged. To measure and assist the process, Dexus also runs an Annual Employee Survey with questions relating to sustainability, environment and risk forming part of the survey to drive engagement to emissions reduction and other sustainability activities.
Financial optimization calculations	Dexus's Investment and Asset Managers closely monitor the financial performance of each asset including its operating costs and valuations and seek ways of reducing the cost of tenant outgoings to attract customers (tenants) and increase occupancy, and thereby increase the property's valuation. Energy costs are a significant property expense, and energy efficiency and reductions in associated greenhouse gas emissions provide an attractive way to improve building performance and optimise financial metrics. Annual asset plans are developed for each property which include the proposed capex on building upgrades including energy efficiency improvement projects. The Dexus Sustainability team works with the asset management teams on the design and implementation of energy efficiency projects to ensure that emissions reduction and associated cost benefits are realised within the proposed solution.
Compliance with regulatory requirements/standards	Dexus participates and complies with the NGER Act and the Commercial Building Disclosure Legislation (BEED Act).
Other (Sustainable building design)	Dexus is committed to developments that drive emission reduction e.g. designing and building market leading Green Star properties certifying Office properties to 5 minimum stars and designing Industrial properties to equivalent to 4 stars. In Industrial, Dexus corporates ESD initiatives into design and presents Green Star certification opportunities to all customers (tenants) it engages with on industrial new builds. Design features include native landscaping which require minimal watering and water tanks to capture roof rainwater for landscape irrigation and plumbing purposes as well as investigating the validity of accessing warehouse roof spaces for solar power generation.
Other (Dedicated budget for benchmarking building performance)	Each year Dexus allocates a budget for conducting NABERS ratings across the office and retail portfolios. NABERS ratings enable building benchmarking and transparent reporting of building performance to investors. Dexus's Strategic Improvement Plans (SIPs) demonstrate expected NABERS rating increases per project and the capex spend associated with the improvement. The improvement in NABERS ratings demonstrates value for money for investors through becoming more competitive and enhancing the potential tenant pool. Dexus was the first property group to NABERS rate its entire internally managed retail portfolio in Australia. This further demonstrates commitment to improving the operational efficiency of its buildings for both customers (tenants) and investors as well as being compliant with the BEED Act.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
18971

Comment

Scope 2 (location-based)

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
131212

Comment

Scope 2 (market-based)

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
129372

Comment

Scope 3 category 1: Purchased goods and services

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
499

Comment

Scope 3 category 2: Capital goods

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
24068

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 5: Waste generated in operations

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
17528

Comment

Scope 3 category 6: Business travel

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
971

Comment

Scope 3 category 7: Employee commuting

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
549

Comment

Scope 3 category 8: Upstream leased assets

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 10: Processing of sold products

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 11: Use of sold products

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 13: Downstream leased assets

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
301830

Comment

Scope 3 category 14: Franchises

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 15: Investments

Base year start
July 1 2017

Base year end
June 30 2018

Base year emissions (metric tons CO2e)
161062

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)
0

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)
0

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Australia - National Greenhouse and Energy Reporting Act
Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
16361

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
Dexus's market-based Scope 2 emissions accounts for voluntary purchase of accredited GreenPower for properties in Australia, with the residual mix calculated using state-based electricity grid emission factors. GreenPower purchases are unbundled and consist of purchases from government-accredited, emission-free renewable sources including wind and solar.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
97219

Scope 2, market-based (if applicable)
84648

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
301

Emissions calculation methodology
Average product method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Other indirect emissions: Paper procured at Dexus tenancies (tCO2-e) = total weight of paper purchased (kg) x emissions factor (kgCO2/t)/1000. Factor: Emission Factor= kg x 2.35. Source: Climate Active [Member: Australian Paper 2017 Public Disclosure Statement]; Potable water usage within Dexus tenancies and associated wastewater= water (kL) x emissions factor (tCO2/ML) x 1000; Factor: Water & wastewater: NSW = 0.808, VIC=0.885, QLD=0.679, WA=1.148 tCO2-e/ML: Derived from emission intensity figures published by Australian National Life Cycle Inventory Database (AusLCI v1.30); Hotel accommodation = number of guest nights x emissions factor (kgCO2/guest night)/1000; Factor: Australia = 66.2; Source:Baseline Energy Consumption and Greenhouse Gas Emissions In Commercial Buildings in Australia: Part 1 - Report, Nov 2012, pg 53, Factor: International = 59.9; Source: United Kingdom Department for Business, Energy and Industrial Strategy - Greenhouse gas reporting conversion factors 2019; Other sources as follows have been calculated = emissions (source) = financial spend ($) x ISA emissions intensity factor (kgCO2-e/$)/1000, using a Licensed version of the Input-Output Analysis calculator developed by the Integrated Sustainability Analysis (ISA) Research Team at the University of Sydney (www.isa.org.usyd. edu.au) - using the following: Industry Allocation: Domestic telecommunication services, Factor = 0.16;Industry Allocation: Printing & Stationary, Factor = 0.73; Industry Allocation: Data processing services, Factor = 0.148; Industry Allocation: Postal Services, Factor = 1.5; Industry Allocation: Courier Services, Factor = 1.5; Industry Allocation: Meat (beef), Factor = 1.86; Industry Allocation: Meat (poultry), Factor = 1.42; Industry Allocation: Seafood, Factor = 0.24; Industry Allocation: Confectionery, Factor = 0.44; Industry Allocation: Vegetable Products, Factor = 0.35; Industry Allocation: Oats, sorghum and other cereal grains, Factor = 0.47; Industry Allocation: Dairy Products, Factor = 0.61; Industry Allocation: Oil & Fats, Factor = 0.65; Industry Allocation: Beer, Factor = 0.80; Industry Allocation: Other; Factor = 0.27; Industry Allocation: Spirits, Factor = 0.16; Industry Allocation: Soft Drinks, Factor = 0.22. excludes goods purchased for investment properties.

Capital goods

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As defined by GHG Protocol, Capital goods are defined as manufacturing/construction of capital equipment owned or controlled by the reporting company. Dexus invests directly in Australian office and industrial properties and also manages office, industrial and retail properties on behalf of third party capital partners. Dexus has not yet calculated emissions from building fitout and refurbishment activities nor the emissions associated with the purchase of newly constructed buildings.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
112383

Emissions calculation methodology
Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Energy indirect emissions from transmission and distribution losses associated with purchased electricity across Dexus managed properties and tenancies plus indirect emissions from base building energy use from properties where a co-owner manages on behalf of Dexus (tCO2-e) = (annual total electricity consumption (kWh) x scope 3 emissions factor (kgCO2-e/kWh)/1000. Factor: Scope 3 Emission factors Electricity: NSW & ACT= 0.09 (kg CO2-e/kWh), VIC = 0.11 (kg CO2-e/kWh), QLD = 0.12 (kg CO2-e/kWh), SA = 0.09 (kg CO2-e/kWh), WA = 0.02 (kg CO2-e/kWh). Source: Energy indirect: National Greenhouse Accounts (NGA) Factors (October 2020), Table 44. Energy indirect emissions from transmission and distribution losses associated with purchased natural gas across Dexus investment properties (tCO2-e)= (annual total natural gas consumption (GJ) x scope 3 emissions factor (kgCO2-e/GJ)/1000. Factor: Scope 3 Emission factors - Natural Gas: NSW & ACT= 13.1 (kg CO2-e/GJ), VIC = 4.0 (kg CO2-e/GJ), QLD = 8.8 (kg CO2-e/GJ), SA = 10.7 (kg CO2-e/GJ), WA = 4.1 (kg CO2-e/GJ). Source: Energy indirect: National Greenhouse Accounts (NGA) Factors (October 2020), Table 41.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial, retail and healthcare properties on behalf of third party capital partners. Dexus has assessed the materiality of transportation and distribution associated with purchased goods and services and determined that it is not relevant. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

And Dexus has assessed the materiality of transportation and distribution associated with purchased goods and services and determined that it is not relevant as it would account for less than 0.01% of our total emissions, and is therefore considered de minimis and consequently, not relevant.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
8849

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Other indirect emissions from waste to land fill and recycled waste from Dexus's investment properties and tenancies (tCO2-e) = total weight of waste to landfill (tonnes) x emissions factor (tCO2/tonne). Factor: Waste to Landfill Emission Factor = 1.3 (t.CO2-e/tonne). Source: Other indirect: National Greenhouse Accounts (NGA) Factors (October 2020), Table 47; Factor: Recycled Waste = derived by stream from "A study into commercial & industrial (C&I) waste and recycling in Australia by industry division" - Available at: http://www.environment.gov.au/system/files/resources/91b2180c-b805-44c5-adf7-adbf27a2847e/files/commercial-industrial-waste.pdf. Weight-based measurement for waste collection occurs at selected Dexus properties and this data is used to develop density factors for each specific waste collection stream which are used to convert waste data that is collected in volume to an equivalent weight across the remaining Dexus sites.; Other indirect emissions from potable water usage within Dexus investment properties and associated wastewater= water (kL) x emissions factor (tCO2/ML) x 1000; Factor: Water & wastewater: NSW = 0.847, VIC=1.534, QLD=0.1862, WA=2.642 tCO2-e/ML: Derived from emission intensity figures published by Australian National Life Cycle Inventory Database (AusLCI v1.30).

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
35

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Other indirect emissions from air travel for Dexus employees (tCO2-e) = (total km travelled per category x category emissions factor). Factor: Short business class flights 0.25; Short economy class flights 0.17; Very short flights 0.27 - Source: United Kingdom Department for Business, Energy and Industrial Strategy - Greenhouse gas reporting conversion factors 2020: Methodology Paper for Emission Factors. Other indirect emissions from taxi travel for Dexus employees (tCO2-e) = [Taxi spend $ x emissions factor]. Factor: [0.044 kg CO2/$ - Source: Analysis of regional taxi fares - Australia Taxi Industry Association & Victorian Environment Protection Agency. Car mileage and hire car use for Dexus employees (tCO2-e) = total kL fuel consumed x (scope 1+ scope 3) emissions factor (tCO2/GJ). Factor: Fuel combustion emission factor- Gasoline (other than for use as fuel in an aircraft). Energy content factor (GJ/kL) 34.2, Emission factor (CO2: 67.4, CH4: 0.02, N2O:0.2); Scope 3 emissions factor = 3.6. Source: NGA factors (October 2020) Table 4, Fuel combustion emission factors (Transport Fuels) & Table 43: Scope 3 emission factors- liquid fuels and certain petroleum-based products.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
297

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Other indirect emissions from employee commuting for all national employees (tCO2-e) were calculated using the following process: 1. Dexus surveyed staff in June 2018 to collect data on employee commuting habits, with a response rate of 57%. 2) Scope 3 emissions from employee commuting (tCO2-e) were compiled for each survey response with emissions arising from the following modes of travel: bus, train, tram, ferry, car, and pooled car as well as zero emission sources including walking/running and cycling. 3) The total emissions were extrapolated to cover 100% of Dexus FTEs. 4) A 10% contingency was added to determine the total emissions for employee commuting for all national employees (tCO2-e). Calculations: for each mode of transport, greenhouse gas emissions (tCO2-e) = total passenger distance (pkm) travelled x combined emissions factor (kgCO2/pkm/1000). Combined emissions factors(kgCO2/pkm) sourced from United Kingdom Department for Business, Energy and Industrial Strategy - Greenhouse gas reporting conversion factors 2020: Methodology Paper for Emission Factors.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial, retail and healthcare properties on behalf of third party capital partners. Dexus does not have a fleet of cars or any other leased assets that are material and therefore have not been included in the inventory. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

And Dexus has assessed the materiality of leased assets and determined that it is not relevant as it would account for less than 0.01% of our total emissions, and is therefore considered de minimis and consequently, not relevant.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial, retail and healthcare properties on behalf of third party capital partners. Dexus has assessed the materiality of transportation and distribution associated with sold goods and services and determined that it is not material to its business. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

And Dexus has assessed the materiality of downstream transportation and distribution and determined that it is not relevant as it would account for less than 0.01% of our total emissions, and is therefore considered de minimis and consequently, not relevant.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial, retail and healthcare properties on behalf of third party capital partners. Dexus does not manufacture or produce products therefore has deemed emissions from processing of sold products not relevant to its business. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on the Australia's Climate Active Standard.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial and retail properties on behalf of third party capital partners. Dexus does not manufacture or produce products therefore has deemed emissions from use of sold products not relevant to its business. Dexus has calculated and included scope 3 emissions impacted by its operations. These were determined based on the criteria listed for scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus invests directly in Australian office and industrial properties and also manages office, industrial, retail and healthcare properties on behalf of third party capital partners. Dexus does not manufacture or produce products therefore has deemed emissions from end of life treatment of sold products as not relevant to its business. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

Downstream leased assets

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
122152

Emissions calculation methodology
Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
41

Please explain
Energy indirect emissions from tenant electricity use across Dexus managed investment properties, and base and tenant emissions from properties managed by co-owners (tCO2-e) = (annual total consumption (kWh) x scope 2 & 3 emissions factor (kgCO2-e/kWh)/1000. Factor: Full Fuel Cycle Emission factors Electricity: NSW & ACT= 0.89 (kg CO2-e/kWh), VIC = 1.09 (kg CO2-e/kWh), QLD = 0.93 (kg CO2-e/kWh), SA = 0.52 (kg CO2-e/kWh), WA = 0.70 (kg CO2-e/kWh). Source: Energy indirect: National Greenhouse Accounts (NGA) Factors (October 2020), Table 44. The emissions covers 41% of lettable area (i.e. it excludes 59% of lettable area).

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Dexus does not have any Franchises. Dexus has calculated and included Scope 3 emissions impacted by its operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on Australia's Climate Active Standard.

Investments

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
101583

Emissions calculation methodology
Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
99.5

Please explain
Dexus manages third party funds that invest in Australian office, industrial, retail and healthcare properties on behalf of third party capital partners, with several properties managed by co-owners. Energy indirect emissions from tenant electricity use across Dexus indirectly managed investment properties, and base and tenant emissions from properties managed by co-owners (tCO2-e) = (annual total consumption (kWh) x scope 2 & 3 emissions factor (kgCO2-e/kWh)/1000. Factor: Full Fuel Cycle Emission factors Electricity: NSW & ACT= 0.89 (kg CO2-e/kWh), VIC = 1.09 (kg CO2-e/kWh), QLD = 0.93 (kg CO2-e/kWh), SA = 0.52 (kg CO2-e/kWh), WA = 0.70 (kg CO2-e/kWh). Source: Energy indirect: National Greenhouse Accounts (NGA) Factors (October 2020), Table 44. The emissions covers 99.5% of lettable area (i.e. it excludes 0.5% of lettable area).

Other (upstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C-CN6.6/C-RE6.6

(C-CN6.6/C-RE6.6) Does your organization assess the life cycle emissions of new construction or major renovation projects?

	Assessment of life cycle emissions	Comment
Row 1	Yes, both qualitative and quantitative assessment	

C-CN6.6a/C-RE6.6a

(C-CN6.6a/C-RE6.6a) Provide details of how your organization assesses the life cycle emissions of new construction or major renovation projects.

	Projects assessed	Earliest project phase that most commonly includes an assessment	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	On a case by case basis	Pre-design phase	Whole life	EN 15978 ISO 14040/44	Dexus is aware of the importance of embodied carbon as part of a whole-of-life approach to reducing the carbon emissions of its properties. Dexus's building contractor for Dexus's office property at 105 Phillip Street, Parramatta completed a life cycle assessment to profile and improve the environmental performance of the construction works at the property. Additionally, Dexus has completed a pilot life cycle assessment at a property to test the method and how it can be used to inform development design, construction and operation. The assessment complied with ISO 14040, ISO 14044, and building LCA standard EN15978. The assessment uses scoping building quantity and resource use data to highlight environmental hotspots, informing early design decisions, optimising material selection and operations of the building life cycle. The assessment identified that concrete and steel contribute approximately 91% of the total carbon emissions, as well as to a significant proportion of other environmental impacts. It identified that the largest users of operational energy are lighting, ventilation and exhaust. Recommendations from the assessment include: Target up to 30% Supplementary Cementitious Material (SCM) in project's concrete. Replacing cement in concrete can significantly reduce a building's environmental impact. - Promote use of recycled steel throughout the project - Consider necessary thickness of slabs and pre-cast concrete to reduce material use - Investigate installation of Photovoltaic systems to reduce reliance on grid energy - Install LED lighting throughout the building.

C-CN6.6b/C-RE6.6b

(C-CN6.6b/C-RE6.6b) Can you provide embodied carbon emissions data for any of your organization's new construction or major renovation projects completed in the last three years?

	Ability to disclose embodied carbon emissions	Comment
Row 1	Yes	

C-CN6.6c/C-RE6.6c

(C-CN6.6c/C-RE6.6c) Provide details of the embodied carbon emissions of new construction or major renovation projects completed in the last three years.

Year of completion
2018

Property sector
Office

Type of project
New construction

Project name/ID (optional)
105 Phillip Street Parramatta Project

Life cycle stage(s) covered
Whole life

Normalization factor (denominator)
IPMS 2 – Office

Denominator unit
square meter

Embodied carbon (kg/CO2e per the denominator unit)
90.2

% of new construction/major renovation projects in the last three years covered by this metric (by floor area)
3

Methodologies/standards/tools applied
EN 15978
ISO 14040/44

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000073

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
101010

Metric denominator
unit total revenue

Metric denominator: Unit total
1377500000

Scope 2 figure used
Market-based

% change from previous year
19.3

Direction of change
Decreased

Reason for change
Dexus's CO2e/$revenue intensity decreased because total revenue (the denominator) decreased by 19.3% while combined Scope 1 and 2 emissions decreased by (19.4%). Despite net acquisitions putting upward pressure on portfolio energy use, this intensity metric decreased in part due to Dexus's resource consumption reduction program, the installation of sub and smart meters, retail centre building upgrades and plant replacements, support for Building Services Managers who ensure the buildings are performing to their optimum, and good management and engineering practice. Emissions have also reduced in-part due to low occupancy within Dexus properties at various time during FY21 arising from the COVID-19 pandemic.

Intensity figure
0.034594

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
101010

Metric denominator
square meter

Metric denominator: Unit total
2919856

Scope 2 figure used
Market-based

% change from previous year
19.2

Direction of change
Decreased

Reason for change
During FY21 the lettable area (square metres) of properties within the portfolio decreased by 0.34%, while corresponding emissions decreased by 19.40%, resulting in an overall decrease to the intensity metric. This overall decrease in due in part to portfolio emissions reduction activities including major plant replacements and upgrades, Dexus's resource consumption reduction program, the installation of sub and smart meters, retail centre building upgrades and plant replacements, support for Building Services Managers who ensure the buildings are performing to their optimum, good management and engineering practice, and an increase in renewable energy purchasing. Emissions have also reduced in-part due to low occupancy within Dexus properties at various times during FY21 arising from the COVID-19 pandemic.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	7058	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	14	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	5	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	9285	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	16361

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division
By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Dexus (DXS) comprising: Dexus Office Trust, Industrial Trust, Dexus Operations Trust, Dexus Diversified Trust equity apportionment of operational control emissions, including investments in Dexus Office Partnership and Dexus Healthcare Property Fund (DHPF).	7340
Dexus Wholesale Property Fund; equity apportionment of operational control emissions.	3358
Dexus Healthcare Property Fund; Third party capital partners' combined equity apportionment of operational control emissions.	28
Dexus Office Partnership: Third party capital partners' combined equity apportionment of operational control emissions.	1878
Other Dexus Third Party funds and mandates.	300
Co-owners' share of emissions under Dexus operational control.	3457
Corporate operations.	0

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Office properties	14308
Industrial properties	89
Retail properties	1928
Healthcare properties	36
Corporate tenancies	0

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	97219	84648

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Dexus (DXS) comprising: Dexus Office Trust, Industrial Trust, Dexus Operations Trust, Dexus Diversified Trust equity apportionment of operational control emissions, including investments in Dexus Office Partnership and Dexus Healthcare Property Fund (DHPF).	45867	39135
Dexus Wholesale Property Fund; equity apportionment of operational control emissions.	23684	21648
Dexus Healthcare Property Fund; Third party capital partners' combined equity apportionment of operational control emissions.	335	335
Dexus Office Partnership: Third party capital partners' combined equity apportionment of operational control emissions.	8615	6509
Other Dexus Third Party funds and mandates.	2832	2812
Co-owners' share of emissions under Dexus operational control.	15271	13595
Corporate operations.	614	614

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Office properties	83720	71149
Industrial properties	2802	2802
Retail properties	9636	9636
Healthcare properties	447	447
Corporate tenancies	614	614

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	5093	Decreased	4	Emissions have decreased across Dexus operations by 4.0% due to increased consumption of self-generated or purchased renewable energy. Dexus generates electricity from on-site solar PV systems and purchases accredited renewable energy as additional purchases which are accounted for in Dexus's market-based Scope 2 emissions reported in C6.3. The 4.0% decrease is equal to 5,093 tCO2-e / 127,536 t.CO2-e where 5,093 is the change in emissions from changes in renewable energy consumption and 127,536 t.CO2-e is the total Scope 1 and 2 market-based emissions reported by Dexus for FY20.
Other emissions reduction activities	16395	Decreased	12.9	Emissions have decreased across Dexus operations primarily due to a number of integrated, targeted emissions reduction activities. These include major plant replacements and upgrades, Dexus's resource consumption reduction targets, the installation of sub and smart meters, retail centre building upgrades and plant replacements, increased training for onsite Building Services Managers to ensure optimal building performance and best practice building management and engineering. Dexus property operations were also affected by the global COVID-19 pandemic, with regional restrictions and lock downs resulting in buildings operating with very low occupancy at times during 2021. As a result, Dexus shut down building systems for floors that were entirely vacant and maintained core building services for those businesses that required essential workers to remain on-site. As a result, emissions from lifts, cooling and ventilation reduced, while emissions from space heating in winter increased. The net impact is that emissions have decreased by 16,395 t.CO2-e or 12.9% in FY21 when measured against FY20. The 12.9% decrease is equal to 16,395 tCO2-e / 127,536 t.CO2-e where 16,395 is the net change in emissions resulting from reduced building operations brought about by efficiency measures and active building management during COVID-19 and 127,536 t.CO2-e is the total Scope 1 and 2 emissions reported by Dexus for FY20.
Divestment	9621	Decreased	7.5	During the FY21 reporting period, Dexus divested several properties which has contributed to a 9,621 t.CO2-e or 7.5% reduction in emissions reported. The 7.5% decrease is equal to 9,621 tCO2-e / 127,536 t.CO2-e where 9,621 is the change in emissions from properties that were disposed during the reporting period and 127,536 t.CO2-e is the total Scope 1 and 2 market-based emissions reported by Dexus for FY20.
Acquisitions	6740	Increased	5.3	During the FY21 reporting period, Dexus acquired or obtained operational control over several properties. As a result of additional properties being included as new sources of GHG emissions there was an increase of 6,740 t.CO2-e or 5.3% in emissions reported. The 5.3% increase is equal to 6,740 tCO2-e / 127,536 t.CO2-e where 6,740 is the change in emissions from properties that were acquired during the reporting period and 127,536 t.CO2-e is the total Scope 1 and 2 market-based emissions reported by Dexus for FY20.
Mergers	0	No change	0	No mergers activity reported for FY21.
Change in output	0	No change	0	No material change in output reported for FY21.
Change in methodology	2158	Decreased	1.7	Dexus has observed minor changes to its FY20 inventory post-reporting due to the continued capture of billing data which was received after its reporting deadlines. In addition, energy retailers have revised invoiced quantities for a selected number of invoices. Together, these ongoing data management changes have improved the accuracy of Dexus's inventory with estimated data replaced by actual data. These changes resulted in a decrease of 2,158 t.CO2-e or 1.7% of emissions reported. The 1.7% decrease is equal to 2,158 tCO2-e / 127,536 t.CO2-e where 2,158 is the change in emissions resulting from methodology changes and 127,536 t.CO2-e is the total Scope 1 and 2 market-based emissions reported by Dexus for FY20.
Change in boundary	0	No change	0	No change in boundary activity reported for FY21.
Change in physical operating conditions	0	No change	0	No change in physical operating conditions reported for FY21.
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	37750	37750
Consumption of purchased or acquired electricity	<Not Applicable>	36054	81223	117277
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	2403	<Not Applicable>	2403
Total energy consumption	<Not Applicable>	38457	118972	157429

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
LHV

Total fuel MWh consumed by the organization
1089

MWh fuel consumed for self-generation of electricity
1089

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
LHV

Total fuel MWh consumed by the organization
36661

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
36661

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
LHV

Total fuel MWh consumed by the organization
37750

MWh fuel consumed for self-generation of electricity
1089

MWh fuel consumed for self-generation of heat
36661

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	2403	2403	2403	2403
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
Australia

Consumption of electricity (MWh)
2403

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2403

Is this consumption excluded from your RE100 commitment?
No

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country

Country/area of renewable electricity consumption
Australia

Sourcing method
Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type
Renewable electricity mix, please specify (Wind & Solar)

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
9274

Tracking instrument used
Australian LGC

Total attribute instruments retained for consumption by your organization (MWh)
9274

Country/area of origin (generation) of the renewable electricity/attribute consumed
Australia

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2015

Vintage of the renewable energy/attribute (i.e. year of generation)
2021

Brand, label, or certification of the renewable electricity purchase
Other, please specify (GreenPower (www.greenpower.gov.au))

Comment
Dexus purchases a portion of its total electricity in the form of emission free, accredited GreenPower (for the FY21 reporting period, this was 9,274 MWh) that offsets a percentage of electricity used in buildings that has been sourced from carbon intensive sources (such as electricity sourced from coal-fired power stations). The quantity of GreenPower is sourced from production from wind and solar farms in Australia and is government accredited (being a joint initiative of the ACT, NSW, SA, QLD and VIC Governments in Australia).

Country/area of renewable electricity consumption
Australia

Sourcing method
Direct procurement from an offsite grid-connected generator e.g. Power Purchase Agreement (PPA)

Renewable electricity technology type
Renewable electricity mix, please specify (Wind & Solar)

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
26780

Tracking instrument used
Australian LGC

Total attribute instruments retained for consumption by your organization (MWh)
26780

Country/area of origin (generation) of the renewable electricity/attribute consumed
Australia

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2015

Vintage of the renewable energy/attribute (i.e. year of generation)
2021

Brand, label, or certification of the renewable electricity purchase
No brand, label, or certification

Comment
Australia's Large-scale Renewable Energy Target (LRET) incentivises the development of renewable energy power stations in Australia through a market for the creation and sale of certificates called large-scale generation certificates (LGCs). Dexus purchases LGCs via power purchase agreements for a portion of its total electricity (for the FY21 reporting period, this was 22.8% or 26,780 MWh) that offsets a percentage of electricity used in buildings that has been sourced from carbon intensive sources (such as electricity sourced from coal-fired power stations). LGCs are created by accredited renewable energy generators with electricity sourced from eligible natural resources such as the sun, wind, ocean waves and the tide, geothermal-aquifers, wood waste, agricultural waste, bagasse (sugar cane waste), black liquor (a by-product of the paper-making process), or landfill gas. One LGC is equivalent to one megawatt-hour of electricity.

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country in the reporting year.

Country/area of generation
Australia

Renewable electricity technology type
Solar

Facility capacity (MW)
2820

Total renewable electricity generated by this facility in the reporting year (MWh)
2403

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)
2403

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)
0

Renewable electricity sold to the grid in the reporting year (MWh)
0

Certificates issued for the renewable electricity that was sold to the grid (MWh)
0

Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)
0

Type of energy attribute certificate
<Not Applicable>

Total self-generation counted towards RE100 target (MWh) [Auto-calculated]
2403

Comment

C8.2k

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

Dexus supports the development of renewable energy and distributed energy generation across our managed portfolio. As a signatory to the RE100 initiative, Dexus is committed to sourcing 100% renewable electricity by 2030. Dexus will achieve this commitment through on-site solar generation and off-site renewable energy opportunities such as through renewable energy supply agreements. Dexus has an active management approach towards its energy procurement which helps progress the group's net zero emissions target, leveraging its scale to secure competitive pricing, load flexibility and renewable electricity supplies. All current electricity tenders request 100% renewable electricity for base building consumption, which has become a standard approach across the portfolio. These agreements typically have a future start date which allows Dexus to seek offtake from both existing power stations. Our approach is to source renewable electricity in the form of accredited GreenPower or Large-scale Generation Certificates (LGCs) from GreenPower accredited power stations; primarily wind and solar.

C8.2l

(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity	Challenges faced by your organization which were not country-specific
Row 1	Yes, not specific to a country/area	At present pricing for renewable electricity is higher than for comparable black electricity, due to the decoupling of generators and suppliers, although Dexus is seeing the emergence of 'gentailers' that can provide a bundled offer, and was able to secure competitive pricing for its NSW portfolio. Another key issue is that pricing is typically fixed over the long term, which presents a risk of paying too much should the contestable market drop. For Dexus, electricity is not solely an operating cost for our business. the cost of electricity that Dexus procures also impacts customers through their outgoings. This places limits on the style of PPAs Dexus can enter into, and we typically pursue a 'supply-linked' PPA as virtual PPAs or derivatives are not appropriate.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CN9.6a/C-RE9.6a

(C-CN9.6a/C-RE9.6a) Provide details of your organization's investments in low-carbon R&D for real estate and construction activities over the last three years.

Technology area
Construction methods

Stage of development in the reporting year
Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years
≤20%

R&D investment figure in the reporting year (optional)

Comment
Historically, little attention has been paid to minimising waste office de-fit projects, with around 80% of materials being sent to landfill. Dexus has collaborated with the City of Sydney's Better Buildings Partnership to develop its Waste Strip out Management Guidelines. Recognising the scale of the opportunity, in 2015 Dexus set a target to consistently demonstrate a resource recovery rate of 80% from de-fitting vacant space by 2020, adopting a circular economy approach by actively identifying charities and markets for re-use and increasing waste diversion from landfill. Over the past five years, Dexus has conducted research and development across over 80 projects to improve recycling rates to lower the use of raw materials and associated carbon emissions. Life cycle analysis techniques were used to assess the carbon and cost impacts for selected projects with each actual outcome assessed against two reference cases. The analysis shows that carbon savings of between 10% and 20% are being achieved for a comparable project cost.

Technology area
Integration of renewable energy sources in buildings

Stage of development in the reporting year
Basic academic/theoretical research

Average % of total R&D investment over the last 3 years
≤20%

R&D investment figure in the reporting year (optional)

Comment
Within its new developments Dexus actively seeks to integrate renewable energy sources. One such technology is Building Integrated Photovoltaics (BIPV) which involves integrating solar generating PV cells within vision glazing and spandrel materials, to generate renewable electricity to offset grid purchases. Dexus has conducted desktop reviews of products from manufacturers and for one pilot project progressed to the stage of cost/benefit analysis for quotation by the builder, however it did not proceed. Dexus continues to evaluate the technology and identify feasible installation opportunities.

Technology area
HVAC systems

Stage of development in the reporting year
Applied research and development

Average % of total R&D investment over the last 3 years
≤20%

R&D investment figure in the reporting year (optional)

Comment
Electrification is an important consideration for Dexus in its transition to net-zero emissions by 2030. At present, Dexus's buildings consume natural gas for space heating and domestic hot water. For two recent projects involving the end-of-life replacement of boilers, Dexus has conducted research and development to understand the technical and economic issues for replacing boilers with an all-electric solution powered by renewable energy.

Technology area
Resilient buildings

Stage of development in the reporting year
Large scale commercial deployment

Average % of total R&D investment over the last 3 years
≤20%

R&D investment figure in the reporting year (optional)

Comment
Resilience to the long-term effects of climate change is a key priority for Dexus development projects. For key projects in climate-affected areas Dexus collaborated with its ESD consultants to conduct additional building modelling to understand the building performance impacts from changes in median temperatures and frequency of extreme heat days. These results have informed decisions regarding the building facade and HVAC systems, as well as biophilia plans.

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?
Yes

C-RE9.9a

(C-RE9.9a) Provide details of the net zero carbon buildings under your organization's management in the reporting year.

Property sector
Office

Definition(s) of net zero carbon applied
National/local government standard(s), please specify (Australia's Climate Active Carbon Neutral Standard for Buildings)

% of net zero carbon buildings in the total portfolio (by floor area)
2.1

Have any of the buildings been certified as net zero carbon?
Yes

% of buildings certified as net zero carbon in the total portfolio (by floor area)
2.1

Certification scheme(s)
Carbon neutral certification against the National Carbon Offset Standard for Building through NABERS Energy

Comment
5 Martin Place, Sydney and 145 Ann Street, Brisbane certified under the Climate Active Carbon Neutral standard for buildings in FY21.

C-CN9.10/C-RE9.10

(C-CN9.10/C-RE9.10) Did your organization complete new construction or major renovations projects designed as net zero carbon in the last three years?
No, but we plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

Dexus develops new office properties in line with the Green Building Council of Australia's (GBCA) Green Star rating system, targeting at least 5 stars, with some projects achieving 6 stars. Dexus has been assisting the GBCA on the update to its latest Green Star for New Buildings standard, in which 5-star ratings will require buildings to be 'net zero carbon ready' and 6-star buildings to be 'net zero carbon from commencement'. With upcoming developments targeting up to 6 stars, Dexus has been involved in a trial of the tool to better understand the additional requirements. Dexus goal to achieve net zero emissions has been factored into the development briefs, which is leading to the specification of highly efficient, all-electric buildings, which Dexus intends to power via a combination of on-site solar PV and off-site renewable energy. These projects are in Dexus's forward development pipeline over the next seven years.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021_PwC_Assurance Opinion and Criteria_Aug.21.pdf

Page/ section reference
1-8 (PDF Pages 1 -9)

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021_PwC_Assurance Opinion and Criteria_Aug.21.pdf

Page/ section reference
1-8 (PDF Pages 1 - 9)

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021_PwC_Assurance Opinion and Criteria_Aug.21.pdf

Page/ section reference
1-8

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021_PwC_Assurance Opinion and Criteria.pdf

Page/section reference
1-8

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ASAE3000	Limited assurance also included assessment of total energy consumption, measured in gigajoules (GJ) reported by Dexus across its operational control boundary during FY21. Refer to the Limited Assurance statement from PwC. 2021_PwC_Assurance Opinion and Criteria_Aug.21.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase
Credit purchase

Project type
Wind

Project identification
Victorian Lowland Forest, Australia and InfraVest Changbin and Taichung bundled Wind Farms Project in Taiwan, China (Stapled). The Victorian Lowland Forest project

works to protect and rehabilitate the Victorian lowland forest that was illegally cleared for blue gum plantations in the 1990s. By protecting the site and replanting cleared areas with native plants, this project permanently protects and enhances local biodiversity. InfraVest Changbin and Taichung bundled Wind Farms project involves the development of two onshore wind farms (103.5 MW and a 46 MW). The project consists of 45 plus 20 wind turbines each with a capacity of 2.3 MW. The project will generate 507 MWh/year, which is delivered to the national grid. The electricity produced will be exported to the regional state electricity authority Tai-Power. Therefore, the emission reductions from the project activity will come from the avoidance of carbon dioxide emissions from fossil fuel use at the national electricity grid.

Verified to which standard
Gold Standard

Number of credits (metric tonnes CO2e)
425

Number of credits (metric tonnes CO2e): Risk adjusted volume
425

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Energy efficiency: households

Project identification
Production and dissemination of Ceramic Water Purifiers by Hydrologic, in the Kingdom of Cambodia. To date, no Ceramic Water Purifier programs have been commercially viable in Cambodia. This project will provide access to adequate levels of clean drinking water to an estimated 1.7 million people across 312,000 households over seven years. This project directly addresses several of the United Nations Millennium Development Goals (MDGs), including goal 4 and 7, and especially to halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation. It also integrates the principles of sustainable development into country policies and programs and reverses the loss of environmental resources, reducing child mortality, improving maternal health, combating disease, ensuring environmental sustainability, and developing a global response to the threat of climate change.

Verified to which standard
Gold Standard

Number of credits (metric tonnes CO2e)
50

Number of credits (metric tonnes CO2e): Risk adjusted volume
50

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
Rimba Raya Biodiversity Reserve Project, Central Kalimantan, Indonesia. The purpose of this project activity is to reduce emissions by preserving 91,215 hectares of tropical peat swamp forest. This area, rich in biodiversity including the endangered Bornean orangutan, was slated by the Provincial government to be converted into four palm oil estates. Located on the southern coast of Borneo in the province of Central Kalimantan, the project is also designed to protect the integrity of the adjacent world-renowned Tanjung Puting National Park by creating a physical buffer zone on the full extent of the circa 90km eastern border of the park.

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
50

Number of credits (metric tonnes CO2e): Risk adjusted volume
50

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Wind

Project identification
Bundled Wind Power Project, Madhya Pradesh, Gujarat and Kerala in India. The wind power generated from this project will displace the electricity generated from thermal power stations feeding into Indian grid (Indian Electricity Grid) and will be replace the usage of diesel generators required for meeting the power demand during shortage periods. Since the wind and solar power is Green House Gas (GHG) emissions free, the power generated will prevent the anthropogenic GHG emissions generated by the fossil fuel based thermal power stations comprising coal, diesel, furnace oil, and gas. The estimation of GHG reductions by this project is limited to carbon dioxide (CO_2)

only. The proposed project activity involves the installation of Wind Power Projects. The total installed capacity of the project is 112.5 MW; which involves the operation of Wind Turbine Generators (WTGs) in multiple states of India.

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
475

Number of credits (metric tonnes CO2e): Risk adjusted volume
475

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Solar

Project identification
Bundled Solar Power Project, Tamil Nadu and Telangana, India. The purpose of this project is to diversify India's fossil fuel-dominated energy mix, investing in renewables to ensure India's continued development and future prosperity. This greenfield project comprises five solar photovoltaic (SPV) locations in the Indian States of Telangana, Gujarat and Rajasthan, together with a total installed capacity of 205 MW. This grid-connected project supplies emissions-free energy to India's electricity grid, replacing carbon-intensive energy sources.

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
400

Number of credits (metric tonnes CO2e): Risk adjusted volume
400

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Wind

Project identification
Shangyi Dongshan Wind Farm Project, Hebei, China. The purpose of the project is to generate renewable power and deliver it to the North China Power Grid by utilising wind resources for electricity generation through the construction of a wind farm. The wind farm will have 33 sets of wind turbines with a capacity of 1.5 MW each, which amount to total capacity of 49.5MW and a 220kV substation in Shangyi County, Hebei Province, China. The project will achieve greenhouse gas (GHG) emission reductions through the displacement of mainly fossil-fuel dominated grid connected power generation. The estimated annual net electricity generation supplied to the grid is 112,600 MWh and the annual full-load operation time amount to 2,275 h per year. The estimated emission reduction is 104,819 tCO2e annually.

Verified to which standard
CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)
1100

Number of credits (metric tonnes CO2e): Risk adjusted volume
1100

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Wind

Project identification
The purpose of the project activity is to generate renewable energy to displace electricity generated from thermal power stations and diesel generators during power shortages. The total installed capacity of the project is 112.5 MW.
- The project activity will bring development and employment opportunities into the local area
- The project will assist in reducing voltage problems for the local villages
- Increase recognition to the local area and to India in contributing to international efforts in increasing renewable energy

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
408

Number of credits (metric tonnes CO2e): Risk adjusted volume
408

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?
Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price
Change internal behavior
Drive energy efficiency
Other, please specify (Support customer appetite for net zero emission buildings)

GHG Scope
Scope 1
Scope 2
Scope 3

Application
Dexus has used an internal carbon price to set its budget for delivering net zero emissions across its investment portfolio. The current price is a blend of the cost to transition to renewable electricity, plus investment.

Actual price(s) used (Currency /metric ton)
29.44

Variance of price(s) used
Dexus uses a uniform pricing methodology that is applied company wide across Australia, in particular New South Wales, Victoria, South Australia, Queensland and Western Australia. Dexus has used the weighted-average price of renewable purchasing of electricity and nature-based offsets for remaining emissions to determine its internal carbon price. Dexus expects this price to fluctuate over time as demand and price for nature-based offsets increase and the price of electricity and Green Certificates decrease due to increased availability of wind and solar power.

Type of internal carbon price
Implicit price
Offsets

Impact & implication
Dexus uses a uniform pricing methodology that is applied company-wide across Australia, in particular for our operations in New South Wales, Victoria, South Australia, Queensland and Western Australia and reflects the latest average carbon price in Australia as set by the Australian Government Emissions Reduction Fund, which we update on a half-yearly basis. Dexus began using a carbon price in 2019 in response to increasing stakeholder interest in Dexus' climate-related activities and performance and has since been used to drive investment towards our emissions reduction strategy and projects, including the implementation of our goal to become net zero by 2022. We use the price to understand the environmental impact of our activities and our facilities, support the identification of areas where potential intervention is required to reduce emissions.

And applying a price to our carbon emissions has assisted Dexus with budgeting the cost for transitioning to net zero emissions. And influencing internal behaviour towards the efficient use of products has enhanced the business case for energy efficiency projects, and increased the preference for low-carbon or carbon neutral products in procurement, development projects, and property acquisitions. Furthermore, setting a carbon price on our direct emissions is a first step towards preparing Dexus for a future external price across broader goods and services.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Run a campaign to encourage innovation to reduce climate impacts on products and services
Collaborate with suppliers on innovative business models to source renewable energy
Other, please specify (Collaborating to share learnings and implement operational efficiencies)

% of suppliers by number
1.2

% total procurement spend (direct and indirect)
41

% of supplier-related Scope 3 emissions as reported in C6.5
8.1

Rationale for the coverage of your engagement
Dexus engages with 1.2% of suppliers which covers 41% of procurement spend as part of a multi-discipline approach to partnering with preferred suppliers that support key scope 3 emission sources across facilities management, electricity retailing, mechanical services, cleaning and waste, tenancy fitouts and major development projects. We engage with these groups because we have a direct opportunity to collaborate and innovate on approaches, adopt new practices and transition to low carbon products to deliver tangible emissions reductions across the property lifecycle with each discipline co-dependent on others to deliver long-lasting emission reductions.
Dexus engages with facilities management and mechanical services suppliers (representing 4% of procurement spend) as a direct opportunity to embed building performance analytics into building operations processes to optimise energy and water efficiency and reduce associated emissions.
Dexus engages with electricity retailers (representing 3% of procurement spend) as this provides a direct opportunity to access renewable energy projects for a rapid transition to sourcing renewable electricity with linkage to generation assets via contract structures that also provide the necessary load flexibility and price risk management.
Dexus engages with cleaning and suppliers (representing 5% of procurement spend) as we have a direct opportunity to support these suppliers in their waste management programs to reduce total waste to landfill.
Dexus engages with tenancy fitout contractors (representing 8% of procurement spend) as we have a direct opportunity to work together to adopt a structured approach to tenancy deconstruction methods and adopt techniques to separate materials for recycling to reduce total waste to landfill.
Dexus engages with builders (representing 21% of procurement spend) as we have a direct opportunity to collaborate to identify and implement opportunities to reduce upfront (embodied) carbon in new development projects through design and material selection.

Impact of engagement, including measures of success
Engagement is deemed successful if we see positive progress across Dexus's Sydney, Melbourne, Brisbane and Perth-based portfolios towards environmental targets including:
a) Facility management (FM) and mechanical services teams: achieving 10% improvements in energy efficiency by FY25
b) Cleaners: increasing NABERS Waste ratings coverage to 100% by FY25 and a 4-star NABERS waste portfolio rating (equivalent to 50% diversion)
c) Energy Retailers: supporting Dexus to achieve net zero emissions in operation in FY22 by sourcing 100% renewable electricity
d) Fit out contractors: consistently achieving an 80% diversion rate of materials from landfill
e) Builders: achieving Green Star ratings across development projects
The impact of this engagement is a noticeable increase in supplier performance over the past 3 years with regard to these targets as noted below.
Engagement with FM & mechanical services teams has improved energy efficiency by 15.1% in FY21, with best results in Melbourne assets, via regular energy management discussions and monitoring of property performance. FM training on energy data an efficiency priorities helps FMs improve their awareness and focus their activities.
Electricity retailer engagement has resulted in securing electricity from named wind & solar power stations and market discussions helps Dexus optimise purchasing costs. Since 2019 Dexus has seen 3 suppliers implement renewable contracts for office, retail portfolios in QLD, Victoria and NSW, with 31% of electricity being sourced from renewables in FY21.
Through engagement with cleaners, new ideas are activated such as adding organics streams to Queensland properties, improving diversion and reducing emissions. Engagement with two cleaners has helped refresh waste management plans and deliver a 2.7 star NABERS waste rating while further work with cleaners in Melbourne will help improve group office portfolio coverage above 70% in FY21.
Engagement with four builders & seven fitout contractors has delivered changes to processes for stripping out old fitouts into clean material streams for reuse or recycling, with over 75% of projects achieving Dexus's target, with best results with Sydney-based contractors. Engagement with one builder for the new construction at the North Shore Health Hub saw its Green Star points outcome improve from 68 to 75 points to achieve a 6 star rating.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

30

% of customer - related Scope 3 emissions as reported in C6.5

25

Please explain the rationale for selecting this group of customers and scope of engagement

Dexus engages with 30% of our total customers, representing office tenants within our Brisbane, Sydney, Melbourne and Perth properties to share information on building certification schemes relevant to their property including their NABERS Energy and Water ratings. We also engage with prospective tenants to share this information.
We engage with this group because they play a key role in influencing building efficiency through their fitout and occupancy habits (e.g. hours of occupancy) and through ongoing engagement we seek to maintain high levels of performance and reduce our own direct emissions, which also has the effect of influencing their upstream Scope 3 emissions.
We conduct this engagement through digital customer engagement portals, information presented within buildings and through face-to-face engagement to ensure tenants are engaged and reminded of their environmental performance. For example, we review tenants fitout plans ensure the design and control of their lighting and air conditioning will not negatively impact base building operations.
We also engage with prospective customers to share information about current NABERS Energy performance and tenancy lighting controls to assist them in their decision making regarding potential leases, and Green Lease provisions within new leases set out the process through which Dexus will engage with customers during the term of their lease on matters such as waste management handling and information sharing. This approach allows Dexus to maintain an active relationship with customers, collect more accurate data about building operations, which together ultimately help in optimising resource use and reducing emissions.

Impact of engagement, including measures of success

Dexus measures the impact of its customer-related engagement via movements in its ongoing energy, water and waste diversion performance. NABERS Energy ratings, which measure greenhouse gas emissions, and NABERS Waste ratings, which measure waste volumes and diversion from landfill are used to quantify and benchmark performance across each office building in Brisbane, Sydney, Melbourne and Perth, by against sectoral and regional benchmarks. We consider our engagements a success if we can consistently maintain or improve our NABERS ratings year-on-year.
We also measure success in engaging with customers via an annual customer engagement survey in which includes sustainability-related questions and through which we measure the Net Promoter Score (NPS). If our NPS is maintained above +40 points each year, we consider this a success.
Success was met under both measures in FY21 which demonstrates our customer-related engagement strategy is influencing positive energy and waste decisions among our tenants. In FY21 Dexus recorded a 5.0-star NABERS energy rating across the group's managed office portfolio and a 2.7-star NABERS waste rating across its office portfolio, which remained the same from FY20. Across the sector, we are ranked 7th in the current NABERS Sustainable Portfolio Index for NABERS for energy, and for waste we ranked 4th. In Sydney, Australia, we recorded strong performance with 10 properties each achieving a 5.5 star NABERS Energy rating. We also achieved a +46 Net Promoter Score, 4 points up from last year's CPS of +42. These were positive results we aim to uphold and improve upon to continue engaging our customers in climate-related issues.
During the year, engagement with customers on NABERS Energy ratings helped us lease 184,029 square metres of office space across 339 transactions, and underpinned by occupancy increases at 2 Dawn Fraser Avenue, Olympic Park, together with 25 Martin Place, Australia Square and 60 Castlereagh Street in Sydney.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Dexus engages with joint venture partners at properties such as landmark office towers of 5 Martin Place, 1 Farrer Place and Australia Square in Sydney, at an operational level to bring consistency and awareness to climate change issues and awareness initiatives, and to drive investment decisions that result in operational efficiency improvements that support Dexus's energy and greenhouse gas emission reduction goals. For example, in FY21, Dexus engaged with 5 joint property managers for our co-owned assets in Sydney and Melbourne on advancing a net zero carbon strategy for 2022 and to share details of renewable energy purchasing. The measures of success include maximising the uptake of renewable electricity across each property and maintaining Dexus's NABERS rating of 5 stars or higher for energy efficiency for co-owned properties in line with agreed strategies and plans, which has helped placed us in the top 10 in the NABERS Sustainable Portfolios Index for the reporting year.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement
Complying with regulatory requirements

Description of this climate related requirement
Dexus's Facility Management Partner is required to maintain compliance with Australia's Building Energy Efficiency Disclosure Act.

% suppliers by procurement spend that have to comply with this climate-related requirement
2

% suppliers by procurement spend in compliance with this climate-related requirement
100

Mechanisms for monitoring compliance with this climate-related requirement
Certification
Supplier self-assessment
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement
Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
Page 64 (PDF Page 67) of Dexus's 2021 Sustainability Report.
2021_Dexus_Sustainability Report.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy
The Dexus Sustainability Approach, including our climate change strategy, informs how we create long-term value through understanding and addressing ESG issues that are relevant to our operations. We consider sustainability to be an integral part of our business with the objectives of Leading Cities, Future Enabled Customers, Strong Communities, Thriving People and an Enriched Environment supporting our overarching goal of Sustained Value. Our day-to-day activities are coordinated by the Dexus Sustainability Team in consultation with the Asset Services Team. The Sustainability Team meets monthly with minutes distributed to key internal stakeholders. And the Sustainability Team reports to the Corporate Executive Committee and the Board ESG Committee, which monitor the team's activities for consistency against strategic objectives. These Committees' objectives are to assist the Dexus Board in fulfilling its responsibilities by reviewing the group's operational risk management, sustainability practices, and procedures including our climate change strategy. The Investor Relations, Communications and Sustainability Team coordinates and oversees the publication of all external documents. And a formal, structured process, involving a materials approvals database, is applied for the review and approval of all announcements, presentations and publications by the relevant internal subject matter experts. The Investor Relations, Communications and Sustainability Team determines key spokespeople, who have undergone media training, to engage in public debate or comment on specific topics, including communicating our climate change strategy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate
Minimum energy efficiency requirements

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Dexus engaged with the City of Sydney on understanding how the NSW Built Environment planning system can be optimised to drive down greenhouse gas emissions with for all councils across Greater Sydney to consistently implement the a new set of proposed performance standards within the City of Sydney's Local Environment Plans and Development Control Plans that apply to new constructions and major redevelopment building projects in that local government area.

Policy, law, or regulation geographic coverage
Regional

Country/region the policy, law, or regulation applies to
Australia

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Dexus engaged directly with the City of Sydney in early 2021 to provide feedback on their draft performance standards and timeframes, development thresholds and the integration of off-site renewables. Dexus engaged via a workshop, provided written feedback and through a series of follow up meetings to confirm our position on proposed development targets and their applicability to developers like Dexus. The feedback provided through this process was incorporated into the performance standards as follows:
a) refined the minimum energy efficiency and onsite renewables standards for office and shopping centres
b) removed the ability to use Energy Saving Certificates to achieve to net zero energy as an offsite measure
c) removed the need to apply the standards to the refurbishment of shopping centres
d) delayed the implementation of the performance standards to respond to impacts from COVID.
This level of engagement proved successful in helping refine the standards to be applicable to different asset types (e.g. office versus retail projects) as successful implementation will only come with support for the performance standards from property developers, owners, industry groups and government.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (Property Council of Australia (PCA))

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The Property Council of Australia (PCA) is a lobby group and the leading advocate for one of the country's biggest industry. The PCA has six key priorities, including, 'Leading Sustainability', through smart policies to improve energy efficiency and clean energy. PCA states that climate change is a reality and their response is to focus on eco-efficient - less in, more out - assets and use effective strategic planning of cities. Supported in publicly available media releases, the PCA is focused on its members delivering more efficient buildings and calls for solutions to unlock energy assets to deliver better infrastructure.
Dexus is a corporate member of the Property Council of Australia PCA, like the majority of the country's major investors, property owners and developers – as well as the industry's professional service and trade providers. And Dexus's acts in a leadership capacity with Dexus's General Manager, Funds Management being one of the PCA's directors, and Dexus's CFO is a member of the CFO Roundtable. An additional 35 employees participate in PCA committees, roundtables and working groups. Dexus is aligned with the PCA's position on climate change and also advocates for more efficient implementation of legislation relating to climate change industry improvements and changes in local government regulations improving recycling and energy usage.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
32249

Describe the aim of your organization's funding
Dexus proactively participates in PCA initiatives where the industry body consults membership on policy submissions and we regularly respond to consultation requests from policy makers. Dexus aligns with the PCA in influencing policy of local, State and National regulators to encourage implementation of new technology and initiatives in developments through changes to building codes. Examples of these include renewable energy, water harvesting and community energy provision. The aim of Dexus's funding is to support the Property Council of Australia to promote best practice, advocate for policy reforms or otherwise enhance the property sector or geographical markets in which we operate, in order to advance energy efficiency, the transition to clean energy, and decarbonisation in line with the goals of the Paris Agreement.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (The Shopping Centre COuncil of Australia ('SCCA'))

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The Shopping Centre Council of Australia ('SCCA') is a trade association whose objective is to achieve a regulatory environment that enables shopping centres to grow and expand, to operate efficiently and to ensure greater certainty for investment decisions on developments and redevelopments. The SCCA advocates for a policy environment which enables shopping centres to cost effectively invest in sustainability and energy efficiency initiatives, without further government regulation. Shopping Centre Owners invest in sustainability and energy efficiency upgrades even though, unlike other commercial property classes, they have largely been ignored by Australian Government funding programs seeking to promote sustainability and generally cannot recover the cost of capital improvements to their centres from tenants.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
35136

Describe the aim of your organization's funding
The aim of Dexus's funding is to support the SCCA to promote cost effective investment in energy efficiency and sustainability initiatives without further regulation, which will promote best practice and enhance the property sector or geographical markets in which we operate.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization
Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding
The Green Building Council of Australia ('GBCA') is non-governmental organisation and is Australia's leading authority on sustainable buildings and communities. Its purpose is to lead the sustainable transformation of the built environment, and to support the creation of healthy, resilient and positive places.

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)
16500

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Dexus is a sponsor of the GBCA's Carbon Positive Roadmap, through which the GBCA is advocating for, and introducing requirements within its Green Star tools, for the commitment to, and achievement of emission free buildings. These requirements include high levels of energy efficiency, use of 100 per cent renewable energy from both on-site and off-site sources; and the avoidance of all fossil fuels. These requirements will apply to 6 Star ratings first, followed by 5 and 4 Star ratings over time. They will apply to base building, tenancy and performance ratings. Dexus's funding supports the the GBCA to educate and train industry in renewable power purchase agreements, greenhouse gas (GHG) accounting and disclosure, on-site generation, storage, smart controls, and other technology and governance tools for managing the transition. It also supports the GBCA's work with private and government bodies, including the utility and energy sectors to commit to the adoption of this roadmap.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization
Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding
Investor Group on Climate Change (IGCC)

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)
17335

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Investor Group on Climate Change ('IGCC') is a trade association. The IGCC is a collaboration of investors from Australian and New Zealand . The IGCC focuses on the impact that climate change has on the financial value of investments, and also recognises the impact of climate change on the financial return of an investment. The IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuates and unit holders. Dexus is a member of the IGCC and participates in its Property Working Group. Through the Property Working Group, Dexus actively contributes to property related discussions and assists the IGCC with understanding and progressing key investor issues relating to property risk management. Dexus provides general support for the ICGG in various non-public forums. The aim of Dexus's funding is to support the IGCC to promote best practice, advocate for policy reforms or otherwise enhance the property sector or geographical markets in which we operate, in order to advance decarbonisation in line with the goals of the Paris Agreement.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
2021_Dexus_Annual Report.pdf
2021_Dexus_Sustainability Report.pdf

Page/Section reference
2021 Annual Report, Pages 66-69 & 2021 Sustainability Report, Section: Enriched Environment, Pages 52-65 and 85-107

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Dexus's 2021 Biodiversity Policy was approved by Senior Management, at the Group Management Level. And Dexus will integrate a biodiversity reporting system into its business. The Biodiversity Policy will be reviewed every two years, and progress will be reported against Dexus's Sustainability Approach and objectives.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to Net Positive Gain Adoption of the mitigation hierarchy approach Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas	SDG Other, please specify (2016 GRI Standards and Australia's Environment Protection and Biodiversity Conservation Act 1999)

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	Yes, we assess impacts on biodiversity in both our upstream and downstream value chain	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
Other, please specify (Corporate Governance Policy)	Content of biodiversity-related policies or commitments	Attached is Dexus's 2021 Biodiversity Policy. 2021_Dexus_Biodiversity Policy - 31.Mar.21.pdf
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Impacts on biodiversity Details on biodiversity indicators Risks and opportunities	Attached is Dexus's 2021 Sustainability Report; refer to Pages 62/PDF Page 64, and subsequently 123/125, 159/161, and 162/164.

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO) and Executive Director	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Dexus owns and manages a portfolio of office and industrial properties, and on behalf of third party clients manages office, industrial, retail and healthcare properties around Australia, comprising more than 4,000 tenants and customers.

Customers vary in size from small businesses to major corporate and government organisations including:
- Listed and privately held companies in the fields of banking, property management, insurance, legal, transport and logistics, retailing, telecommunications and mining
- State and federal government agencies that require minimum building performance standards
- Small to medium enterprises including accountants and consultants
- Major department stores and supermarkets
- Media and entertainment cinema operators
- Small retailers, cafes and restaurants

Dexus integrates sustainability outcomes into its service delivery to customers through its Sustainability Approach (www.dexus.com/discover-dexus/sustainability/sustainability-approach) which incorporates the UNPRI 'six principles' within its goal of "Creating sustained value by integrating environmental, social and governance issues across the property lifecycle". Dexus understands its influence on the broader environment via the places it creates and their impact on health, wellbeing, and productivity. Dexus applies an outward looking approach to manage its environmental performance and risks. Dexus works closely with customers to improve their sustainability performance and awareness.

Dexus's delivery framework is based on five key areas:
1. Partnerships with customers to meet their needs - offering incoming support with fit outs and move planning
2. Platform and data services - connecting with customers to collect and respond to their feedback, as well as provide them with relevant information and services. Examples include the customer survey, digital signage and customer portals, such as the Customer Support Centre
3. Community - creating a hub for property occupants and visitors through events, concierge services and sustainability initiatives
4. Products and services - providing a range of value-added services at its properties to support comfort and productivity. Examples include childcare, end of trip facilities, retail spaces and artwork in communal spaces
5. Intelligent buildings - operating safe, efficient, connected, high-performing assets. For example, efficient lighting, security, and accessibility

Dexus assists customers during fit outs to minimise energy use and their environmental footprint by providing tenant fit out guides, fit out design reviews for impacts on base building, and procurement assistance via preferred Dexus suppliers. Dexus collaborates with City Switch, a national tenant energy efficiency program, as both a signatory and a landlord within the City Switch program. Dexus aims to drive improvements in customers ' energy efficiency through green building committees and awareness programs including Earth Hour and the National Australian Built Environment Rating System (NABERS).

Dexus collaborates with customers, suppliers, and facility management partners to:
- Save energy and water
- Maximise energy and water productivity
- Reduce greenhouse gas emissions
- Reduce the amount of waste transported to landfill

Dexus achieves this by tracking consumption and greenhouse gas emissions, setting continuous improvement targets, conducting ongoing energy management processes and initiatives and implementing energy efficiency and fuel switching projects. Base building refurbishments consider energy efficiency and environmental impacts of products and services.

Dexus further reduces its emissions impacts by generating energy onsite from renewable sources at selected sites, and supplements this by purchasing accredited, emission-free GreenPower. Dexus has committed to achieve net zero emissions by 2022 and its net zero target has been verified by the Science Based Targets initiative as consistent with the effort required to limit global temperature increases to 1.5°C. Dexus maintains Carbon Neutral certification for its corporate operations under Australia's Climate Active Carbon Neutral program.

Customers directly benefit from these initiatives via avoided emissions, reduced costs through resource consumption efficiencies and productivity improvements from healthier working environments.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	1977100000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Pinsent Masons LLP

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
15

Uncertainty (±%)
4

Major sources of emissions
Direct emissions from Natural Gas and Diesel (stationary) fuel consumption as well as fugitive emissions from refrigerant gases as per reporting requirements under the NGER Act.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
1553.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building scope 1 emissions sources as part of its obligations under the Federal Government's National Greenhouse and Energy Reporting (NGER) Act.

Requesting member
Pinsent Masons LLP

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
74.1

Uncertainty (±%)
0

Major sources of emissions
Market-based emissions for Grid-purchased Electricity consumption prepared in accordance with the Greenhouse Gas Protocol – Scope 2 Guidance. The emissions reported are 'market-based' and includes reductions associated with the voluntary purchase of GreenPower.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
1553.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building ‘location-based’ scope 2 emissions sources as part of its obligations under the Federal Government's National Greenhouse and Energy Reporting (NGER) Act. It also reports on ‘market-based’ emissions as part of its voluntary disclosure in accordance with the Greenhouse Gas Protocol’s Scope 2 guidance. The emissions reported are 'market-based' and includes reductions associated with the voluntary purchase of GreenPower.

Requesting member
Pinsent Masons LLP

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e

12.1

Uncertainty (±%)
35

Major sources of emissions
Fuel-and-energy-related activities (not included in Scope 1 or 2) (i.e. emissions from energy transmission, distribution and transportation) and Waste generated in operations, and water & wastewater as calculated using National Greenhouse Accounts factors and methods.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
1553.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building scope 3 emissions sources where data is readily available and in line with Dexus's ability to influence or control them. Emissions have been calculated based on methods set out in the Federal Government's National Greenhouse Accounts factors and methods workbook (October 2020). Dexus does not account for other scope 3 sources including travel for building occupants, nor building consumables. Dexus has been certified carbon neutral under the Climate Active Carbon Neutral Standard for its corporate operations (including tenancies and staff travel) and as such the Scope 3 emissions figure provided does not include any contribution of Dexus's own corporate emissions. Dexus has assumed a level of uncertainty based on the published level for uncertainty for Solid Waste to Landfill within the NGER Measurement Determination July 2020 (Part 8.3).

Requesting member
Schlumberger Limited

Scope of emissions
Scope 1

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
8.1

Uncertainty (±%)
4

Major sources of emissions
Direct emissions from Natural Gas and Diesel (stationary) fuel consumption as well as fugitive emissions from refrigerant gases as per reporting requirements under the NGER Act.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
2262.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building scope 1 emissions sources as part of its obligations under the Federal Government's National Greenhouse and Energy Reporting (NGER) Act.

Requesting member
Schlumberger Limited

Scope of emissions
Scope 2

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
66.2

Uncertainty (±%)
0

Major sources of emissions
Market-based emissions for Grid-purchased Electricity consumption prepared in accordance with the Greenhouse Gas Protocol – Scope 2 Guidance. The emissions reported are 'market-based' and includes reductions associated with the voluntary purchase of GreenPower.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
2262.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building 'location-based' scope 2 emissions sources as part of its obligations under the Federal Government's National Greenhouse and Energy Reporting (NGER) Act. It also reports on 'market-based' emissions as part of its voluntary disclosure in accordance with the Greenhouse Gas Protocol's Scope 2 guidance. The emissions reported are 'market-based' and includes reductions associated with the voluntary purchase of GreenPower.

Requesting member
Schlumberger Limited

Scope of emissions
Scope 3

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
8.1

Uncertainty (±%)
35

Major sources of emissions
Fuel-and-energy-related activities (not included in Scope 1 or 2) (i.e. emissions from energy transmission, distribution and transportation) and Waste generated in operations, and water & wastewater as calculated using National Greenhouse Accounts factors and methods.

Verified
Yes

Allocation method
Allocation based on area

Market value or quantity of goods/services supplied to the requesting member
2262.9

Unit for market value or quantity of goods/services supplied
Square meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Dexus has identified and reports on base building scope 3 emissions sources where data is readily available and in line with Dexus's ability to influence or control them. Emissions have been calculated based on methods set out in the Federal Government's National Greenhouse Accounts factors and methods workbook (October 2020). Dexus does not account for other scope 3 sources including travel for building occupants, nor building consumables. Dexus has been certified carbon neutral under the Climate Active Carbon Neutral Standard for its corporate operations (including tenancies and staff travel) and as such the Scope 3 emissions figure provided does not include any contribution of Dexus's own corporate emissions. Dexus has assumed a level of uncertainty based on the published level for uncertainty for Solid Waste to Landfill within the NGER Measurement Determination July 2020 (Part 8.3).

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Dexus publishes group-level data on its environmental and emissions performance within the Dexus 2021 Sustainability Report, which is available at https://www.dexus.com/2021-sustainability-report. The Data Appendix section provides a detailed summary of Dexus's performance against key sustainability metrics including sustainability commitments and targets. The Enriched Environment section describes the Group's GHG emissions performance, emissions intensity across each asset class, as well as property and portfolio NABESR ratings.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	Dexus allocates emissions based on occupied area (in square metres) to represent each tenant's use of common services (such as air conditioning, lights, lifts, etc) which are metered at a property level.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Dexus has, and continues to, progress ways to gain a deeper insight into its energy and emissions. Dexus has established a centralised Environmental Reporting System for capturing and reporting environmental data at a property level including total occupied area. Direct energy use by customers within their tenancies is already separately metered either by an energy retailer or by Dexus (depending on site metering configuration). Dexus is collaborating with waste contractors to improve the accuracy of waste information. Dexus has installed weight-scales in loading docks so that waste can be weighed directly rather than relying on bin counts, estimated volumes and densities. Currently waste contractors measure waste at a property level and at a tenancy level for all Dexus-managed office properties. Dexus is looking to expand its waste reduction capabilities through incorporating circular economy principles into its waste reduction strategy. Dexus has partnered with a circular economy specialist consultant to continue to develop this strategy further. Comprehensively allocating base building energy use to customers (i.e. energy and emissions by tenancy) involves metering or allocating energy and emissions from many building systems against customer activity. This presents technical and logistical challenge which Dexus considers only within decision-making of new building management and metering systems.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Non-public

Please confirm below

I have read and accept the applicable Terms