

Environment Policy

1. Purpose

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

2. Context

We recognise we have a duty of care to our stakeholders: investors, customers, employees, agents and the wider community, to sustain and protect the environment during the management of our property portfolio. There is a clear growing imperative to respond to environmental changes in a timely manner, and we use our industry peers to set realistic, challenging targets since Dexus strive to be an industry leader in Sustainability.

3. Alignment with societal goals

We support the United Nations Sustainable Development Goals (SDGs) which align with our stakeholders' expectations for Dexus to develop and manage properties that make a positive environmental impact. Through this policy and our actions, we will continue to contribute to the following SDGs and their related targets:



By 2030, increase substantially the share of renewable energy in the global energy mix



By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters.



By 2030, achieve the sustainable management and efficient use of natural resources.

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.



Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Further, we understand the increasing environmental and social challenges caused by climate-related impacts and their effects on our communities, and we recognise our role to limit those long-term effects of human-induced climate change in line with the goals of the Paris Agreement¹.

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

4. Coverage

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

¹ <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>



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

5. Policy commitments

We aim to protect and sustain the environment by maximising resource productivity to reduce environmental impacts in the development, management and refurbishment of properties. Dexus is committed to maintaining compliance with environmental legislation and regulation, and going further by:

1. Integrating climate risk, resilience and adaptation into investment decision making and operations
2. Continually improving our environmental performance through setting targets to minimise the consumption of energy and water, and reduce waste generation
3. Operating existing managed properties to achieve net-zero greenhouse gas emissions in operation, and for new acquisitions, accelerating their transition towards this goal by working with investment partners on improving energy efficiency, increasing on-site and off-site renewables and offsetting remaining emissions
4. Reviewing upfront carbon emissions within developments, fit outs and procurement to identify and progress decarbonisation opportunities
5. Sourcing 100% of our electricity needs from renewable sources by 2030 while minimising resource-related operating costs and reducing exposure to volatility in energy prices
6. Transitioning towards circular economy economic principles for the procurement, use and end of life treatment of materials that minimise the disposal of materials in landfill by maximising stream segregation and down and upstream stewardship, to produce recycled materials that can be reused within new products
7. Maintaining a healthy indoor environment to maximise occupants' health, wellbeing and productivity
8. Maintaining and enhancing biodiversity at our sites, as described within Dexus's Biodiversity Policy
9. Minimising potential environmental impacts from our upstream supply chain, as outlined within Dexus's Sustainable Procurement Policy
10. Adopting a 'whole building' approach with customers through 'green lease' commitments within leases which consist of mutual commitments to manage and operate their tenancies to minimise environmental impacts from operations, installation, and removal of fit outs
11. Maintaining effective disclosure on environmental performance within regulatory and voluntary reporting, and disclosing our approach to managing climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

6. Implementation

Environmental management system

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

- Facilitate the identification and implementation of legislative requirements and best practices. Dexus expects ongoing compliance with relevant legislation and regulations
- Strive to continually improve our environmental performance and minimise our environmental footprint
- Aim to deliver a positive impact on biodiversity and have integrated biodiversity management within our organisational strategy
- Ensure that all employees, agents, contractors, service providers and customers are aware of the impact of their actions on the environment, and they
 - use reasonable endeavours to ensure that they are appropriately trained and motivated to conduct their activities in an environmentally responsible manner, and
 - comply with or exceed the requirements of relevant environmental legislation and Dexus's commitment to improving our environmental performance



- Seek to ensure our environmental programs are successful and we meet our environmental obligations
- Identify, manage and monitor potential risks and opportunities presented by climate change at our properties
- Actively promote and develop initiatives to improve the environmental performance and reduce the environmental impact of our portfolio
- Actively involve and take into consideration the views of interested parties
- Provide transparent monitoring and reporting of our environmental performance
- Ensure that this Policy and Dexus's Environment Statement is available to the public, customers, agents, contractors, service providers, suppliers and other interested stakeholders

Property operations

Dexus will integrate environmental sustainability practices and initiatives within property operations in order to meet the goals above.

Key activities as applicable include:

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

Transactions and developments

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

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

Across our developments, Dexus is committed to designing for operational efficiency whilst targeting net zero emissions from operations and reducing embodied carbon in material selection. Key activities as applicable including:

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



7. Engaging with stakeholders

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

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

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

Version	Document Owner	Author	Approving Authority	Approved Date
1	Compliance	Paul Wall	Head of Risk & Compliance	3 February 2016
2	Compliance	Rob Sims	Head of Governance	7 February 2017
3	Compliance	Rob Sims	Head of Governance	15 January 2019
4	Sustainability	Rob Sims	GMC	18 February 2019
5	Sustainability	Rob Sims	GMC	9 March 2020
6	Sustainability	Rob Sims	GMC	25 June 2021
7	Sustainability	Rob Sims	CEC	24 August 2022



Environment Statement

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

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

We support the United Nations Sustainable Development Goals which align with our stakeholders' expectations for Dexus to develop and manage properties that make a positive environmental impact.

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

We seek to enhance property and portfolio climate resilience by minimising our greenhouse gas emissions impact, adapting for change and influencing across our value chain. Dexus is committed to transitioning to a low carbon future through the group's target to achieve net-zero greenhouse gas emissions in operation from 2022 across managed real estate assets. This is supported by a further commitment to source 100% of electricity needs from renewable energy providers or sources by 2030.

Through our Environment Policy which supports this statement, Dexus is committed to maintaining ongoing compliance with environmental legislation and regulation, and going further by:

1. Integrating climate risk, resilience and adaptation into investment decision making and operations through a detailed environmental management system, certified against international standard ISO 14001, for the environmental management of our portfolio across the property life cycle
2. Continually improving our environmental performance by setting targets to minimise the consumption of energy and water, and reduce waste generation
3. Operating existing managed properties to achieve net-zero greenhouse gas emissions in operation, and for new acquisitions, accelerating their transition towards this goal by working with investment partners on improving energy efficiency, increasing on-site and off-site renewables and offsetting remaining emissions
4. Sourcing 100% of our electricity needs from renewable sources by 2030 while minimising resource-related operating costs and reducing exposure to volatility in energy prices
5. Implementing resource use and waste management practices that minimise waste to landfill by maximising stream segregation and downstream stewardship, to produce recyclable materials that can be reused within new products (i.e. 'closed loop' resource use practices)
6. Maintaining and enhancing biodiversity at our sites, as described within Dexus's Biodiversity Policy
7. Minimising potential environmental impacts from our upstream supply chain, as outlined within Dexus's Sustainable Procurement Policy
8. Adopting a 'whole building' approach with customers through 'green lease' commitments within leases that stipulate mutual commitments to manage and operate their tenancies to minimise environmental impacts from operations, and from the installation and removal of fit outs
9. Maintaining effective disclosure on environmental performance within regulatory and voluntary reporting, and disclosing our approach to managing climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

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

Melanie Bourke
Chief Operating Officer
24 August 2022

Darren Steinberg
Chief Executive Officer
25 August 2022