



To the Directors of Dexus Funds Management Limited

Independent Limited Assurance Report on the preparation of the identified Subject Matter Information in the Dexus 2023 Annual Report and within the Dexus 2023 sustainability data pack in accordance with the reporting criteria

The Board of Directors of Dexus Funds Management Limited, the responsible entity of the Dexus Property Trust and the Dexus Operations Trust (the Trusts together form the Dexus stapled security and collectively are referred to as “Dexus”) engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information listed below in the Dexus 2023 Annual Report and the Dexus 2023 sustainability data pack for the year ended 30 June 2023 (the ‘Subject Matter Information’).

Subject Matter Information and Criteria

We assessed the Subject Matter Information against the Criteria. The Subject Matter Information needs to be read and understood together with the Criteria. The Subject Matter Information and the Criteria are as set out below:

- Total Scope 1 GHG emissions - **12,346 tCO₂-e**
- Total Scope 2 location-based GHG emissions - **87,614 tCO₂-e**
- Total Scope 2 market-based GHG emissions - **0 tCO₂-e**
- Total Scope 3 location-based GHG emissions - **28,046 tCO₂-e**
- Total Scope 3 market-based GHG emissions - **18,464 tCO₂-e**
- Total net GHG emissions (Scope 1, 2 & 3 market-based emissions) - **0 tCO₂-e**
- Total net energy consumption - **598,250 GJ**
- Total water consumption - **1,345,439 kL**
- Total waste to landfill - **8,015 tonnes**
- Total recycling - **5,109 tonnes**
- Percentage of female employees as at 30 June 2023 (FTE) - **55%**
- Percentage of females in senior management as at 30 June 2023 (headcount) - **38.3%**
- Percentage of female Non-Executive Directors as at 30 June 2023 - **71.4%**
- Absentee Rate (sick days lost per FTE) - **1.9**
- Lost time injury frequency rate (LTIFR) - **0**
- Fatalities - **0**
- Site-based Contractors Lost time injury frequency rate (LTIFR) - **1.04**
- Site-based Contractors Fatalities - **0**

The criteria used by Dexus to prepare the subject matter information was prepared by Dexus management and is titled 2023 Reporting Criteria presented at: <https://www.dexus.com/discover-dexus/sustainability/sustainability-reporting-library> and included as Appendix 1 to our Limited Assurance Report (the ‘Criteria’)

The maintenance and integrity of the Dexus website is the responsibility of the management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on the Dexus website.



Our assurance conclusion is with respect to the year ended 30 June 2023 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the 2023 Dexus Annual Report and the Dexus 2023 sustainability data pack including any images, audio files or videos.

Responsibilities of management

Management is responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Dexus Funds Management Limited and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Criteria.

Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE 3000) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the year ended 30 June 2023.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.



In carrying out our limited assurance engagement we:

- made inquiries of the persons responsible for the Subject Matter Information;
- obtained an understanding of the processes and controls for collecting and reporting the Subject Matter Information;
- performed analytical review procedures over the Subject Matter Information and obtained explanations from management regarding unusual or unexpected variations;
- reconciled the Subject Matter Information with underlying records;
- agreed underlying records back to supporting third party documentation on a sample basis;
- assessed the reasonableness of any material estimates made in preparing the Subject Matter Information;
- assessed the appropriateness of the GHG emission factors applied in calculating the Total Scope 1, 2 and 3 GHG emissions and tested the arithmetical accuracy of the GHG emission calculations;
- tested the arithmetical accuracy of the net GHG emission calculations as well as the appropriateness of the market based emissions calculations;
- performed limited substantive testing on a sample basis of the Subject Matter Information to assess that data had been appropriately measured, recorded, collated and reported;
- reviewed the Subject Matter Information to assess whether it has been prepared as described in the criteria; and
- considered the disclosure and presentation of the Subject Matter Information.

Dexus discloses Total Market Based net GHG emissions (net GHG emissions) including an offset deduction from Dexus' emissions for the year ended 30 June 2023 of 30,810 tonnes of CO₂-e relating to offsets. We have performed procedures as to whether these offsets were acquired during the year (or when actual emissions are unknown before the year end up to the date of this report), as well as verifying their retirement with the relevant registries (or pending approval for retirement up until the date of this report). We have also considered whether the description of them disclosed is a reasonable summary of the relevant contracts and related documentation and have performed procedures over the calculation of net GHG emissions. We have not, however, performed any procedures regarding the external providers of these offsets, and express no conclusion about whether the offsets have resulted, or will result, in a reduction of 30,810 tonnes of CO₂-e.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of management and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The



precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The limited assurance conclusion expressed in this report has been formed on the above basis.

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities', and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria as at or for the year ended 30 June 2023 (as identified in the Subject Matter Information and Criteria above).

Use and distribution of our report

We were engaged by the board of directors of Dexu Funds Management Limited on behalf of Dexu Funds Management Limited, the responsible entity of the Dexu Property Trust and the Dexu Operations Trust to prepare this independent assurance report having regard to the criteria specified by Dexu Funds Management Limited and set out in this report. This report was prepared solely for Dexu Funds Management Limited to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected subject matter.

We accept no duty, responsibility or liability to anyone other than Dexu Funds Management Limited in connection with this report or to Dexu Funds Management Limited for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Dexu Funds Management Limited and if anyone other than Dexu Funds Management Limited chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Dexu Funds Management Limited receiving or using this report.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Sydney
15 August 2023

2023 reporting criteria



Criteria for reporting on selected information included within the scope for assurance

The following criteria were used by Dexus to prepare the selected subject matter assured by PricewaterhouseCoopers (PwC) included within the 2023 Dexus Sustainability Performance Pack set out below.

Section of Sustainability Reporting	Matter subject to assurance
Environment	<ul style="list-style-type: none"> – Total Scope 1 location-based greenhouse gas (GHG) emissions (t CO₂-e) – Total Scope 2 location-based greenhouse gas (GHG) emissions (t CO₂-e) – Total Scope 2 market-based greenhouse gas (GHG) emissions (t CO₂-e) – Total Scope 3 location-based greenhouse gas (GHG) emissions (t CO₂-e) – Total Scope 3 market-based greenhouse gas (GHG) emissions (t CO₂-e) – Total Net Scope 1, 2 and 3 greenhouse gas (GHG) emissions (t CO₂-e) – Total Net energy consumed (electricity, natural gas, diesel, solar) (GJ) – Water consumed (kL) – Total waste (tonnes)
Employees	<ul style="list-style-type: none"> – HR Indicators <ul style="list-style-type: none"> – Percentage of female employees – Percentage of females in senior management – Percentage of female non-executive directors – Absentee rate (days per employee) – Safety indicators <ul style="list-style-type: none"> – Lost time injury frequency rate – Fatalities – Site-based contractors Lost time injury frequency rate – Site-based contractor fatalities

Dexus believes that underlying data presented for other areas of the 2023 Annual Report is sound.

Parameters used in the preparation of the subject matter – Group environmental inventory

Dexus applied the following parameters in calculating the reported GHG emissions, energy and water consumption data, and waste data described above:

Item	Description
Reporting period	1 July 2022 to 30 June 2023
Reporting boundary	<p>Unless otherwise stated, Dexus applied the principles contained within the <i>National Greenhouse and Energy Reporting Act 2007</i> (NGERA) and its associated guidelines. Unless otherwise stated below, the reporting boundary comprises those facilities in Australia and New Zealand which fall under the operational control of members of the group of which Dexus Holdings Limited is the controlling corporation for part of or all the 12 months ending June 30, 2023.</p> <p>The operations covered under the scope of reporting are consistent with Dexus's operation as a property business, being:</p>



1. **Property investment** including directly owned assets and assets managed on behalf of third-party investors. Property investment comprises:
 - a. Office assets
 - b. Industrial assets
 - c. Retail assets
 - d. Healthcare assets
 - e. Convenience Retail assets
 - f. Hotel assets
2. **Occupied premises** being Dexus occupied tenancies.

Property development is excluded from the boundary of operational control for Australia and New Zealand. Operational control of the development site is handed over at Practical Completion of the development.

Infrastructure investments are excluded from the boundary of operational control for Australia and New Zealand, as operational control is determined to be the responsibility of the external asset operator.

Total Scope 1, 2 and 3 location-based GHG emissions

Total Scope 1, 2, and 3 GHG emissions comprises emissions within the reporting boundary for Australia as calculated using the formula below:

$$\begin{aligned} & \textit{Total Scope 1, 2, and 3 location based GHG emissions} \\ & = \textit{Scope 1 GHG Emissions} + \textit{Scope 2 location based GHG Emissions} \\ & + \textit{Scope 3 location based GHG Emissions} \end{aligned}$$

Where:

Scope 1 GHG Emissions, *Scope 2 location based GHG Emissions* and *Scope 3 location based GHG Emissions* are as defined within this criterion.

'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* and have been adopted by the NGERA. Reporting is in alignment with the NGERA and its associated guidelines with the exception of Scope 3 GHG emissions as described below. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO₂-e).

Total Scope 1, 2 and 3 market-based GHG emissions

Total Scope 1, 2, and 3 GHG market-based emissions comprises emissions within the reporting boundary for Australia and New Zealand as calculated using the formula below:

$$\begin{aligned} & \textit{Total 1, 2, and 3 market based GHG emissions} \\ & = \textit{Scope 1 GHG Emissions} + \textit{Scope 2 market based GHG Emissions} \\ & + \textit{Scope 3 market based GHG Emissions} \end{aligned}$$

Where:

Scope 1 GHG Emissions, *Scope 2 market based GHG Emissions* and *Scope 3 market based GHG Emissions* are as defined within this criterion.

'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* and have been adopted by the NGERA. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO₂-e).

Scope 1 GHG emissions

Scope 1 emissions (direct emissions) comprise GHG emission under associated with fuel combustion and use of hydrofluorocarbons for the following sources:

- **Natural gas** (used for heating air and water). Natural gas data is derived from supply authority billing. Meter data and/or estimated data is applied based on Dexus's methodology, set out below, if billing data is unavailable at the time of reporting.
- **Diesel Oil (Diesel)**. Diesel data is collected from site operations managers and is sourced from delivery invoices for diesel purchases and periodic diesel tank level readings. Billing data and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
- **Refrigerant gases** (used within air conditioning equipment). The data for refrigerant gases is derived from a refrigerant register that lists all equipment under Dexus operational control. Leakage is measured via equipment maintenance records of refrigerant top-ups or by applying an annual leakage rate as defined with the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*, with global warming potentials relative to CO₂ aligned with the IPCC Fifth Assessment Report (2014).



- **Gasoline (other than for use as fuel in an aircraft).** Gasoline data is collected from site operations managers and is sourced from invoices for purchases. Billing data and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.

Scope 1 emissions have been calculated according to the Australian Government's *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022* and the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022*.

Scope 2 location-based GHG emissions
 Scope 2 location-based GHG emissions comprise indirect GHG emissions associated with grid-purchased electricity used for lighting and power. The data is provided by supply authority billing. Meter and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
 Scope 2 emissions have been calculated using published average grid emission factors according to the Australian Government's *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022* and the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022*.

Scope 2 GHG market-based GHG emissions
 Scope 2 GHG market-based emissions comprise indirect GHG emissions associated with grid-purchased electricity used for lighting and power. The data is provided by supply authority billing. Meter and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.

'Market-based' Scope 2 emissions involve separate accounting for any type of energy or energy attributed to a purchase via a contractual instrument, using source-based scope 2 emission factors evidenced by electricity attribute certificates, as defined within *The Greenhouse Gas Protocol: Scope 2 Guidance*.

Dexus has separated its electricity purchases into three categories for emissions calculations:

Renewable electricity:

- **'Supplied renewable electricity'** supplied as a proportion of total grid purchases from energy retailers within electricity supply arrangements, which involves retailers surrendering Large Scale Generation Certificates (LGCs) for electricity consumed by Dexus in line with Australia's Renewable Energy Target (RET). These are evidenced by electricity supply agreements and tax invoices for supply of electricity, as defined below
- **'Additional voluntary renewable electricity'** purchases made by Dexus that can be accounted using source-based scope emission factors evidenced by *electricity attribute certificates* obtained and surrendered by or on behalf of Dexus, as defined below

Non-renewable electricity:

- **'Remaining electricity'** which is deemed to be derived from fossil fuels, where emissions are accounted for by applying state-based 'residual mix factors', as defined below

Where:

Electricity supply agreements and tax invoices – agreements between Dexus and electricity retailers for the supply of electricity, and subsequent invoices issued that state the volume of electricity consumed. These agreements and tax invoices include details for the sourcing of LGCs in line with retailer requirements under the RET, with Dexus being the end-consumer of electricity.

Energy attribute certificates – instruments have been developed to track energy production information (or its "attributes") separately from actual energy delivery. These instruments typically flow from energy generation facilities to energy suppliers and ultimately energy consumers to support consumer claims about the type of energy used and its related attributes.

Dexus recognises the following schemes and certificates as energy attribute certificates and has applied the nominated GHG emission coefficients listed in the table below for quantities of electricity purchased and consumed, or volumes of certificates that retired under these schemes.

Energy attribute certificate scheme	Scope 2 emission factor	Scope 3 emission factor	Evidence
GreenPower – electricity generated under the National GreenPower Accreditation Program (https://www.greenpower.gov.au/)	0	0	Tax invoices for the purchase of GreenPower with retirement managed by the GreenPower provider
Large Scale Generation Certificates (LGCs) created by accredited renewable energy power stations under Australia's Renewable Energy Target, administered by the Clean Energy Regulator	0	0	Electricity tax invoices for 'bundled LGCs', supported by electricity contracts Tax invoices for the purchase of additional LGCs and records of retirements of certificates in their relevant registries.

New Zealand Energy Certificates (NZ-ECs) under the New Zealand Energy Certificate System, created by existing renewable electricity generators in New Zealand and administered by administered by the New Zealand Body for Certificate Issuance (NZBCI).	0	0	NZ-EC purchase agreement with New Zealand electricity retailers Statement of Position issued by Certified Energy Records in the NZECS Registry
Contracts for electricity, such as power purchase agreements (PPAs) not involving GreenPower nor LGCs, and contracts from specified sources, where electricity attribute certificates do not exist or are not required for a usage claim.	Source specific	State-based coefficients as per location-based accounting	Tax invoices or other equivalent energy attribute certificate.

¹ For GreenPower and LGCs, a scope 3 emission factor = 0 is applied as losses are taken into account in the creation of LGC's in accordance with the GreenPower Program Rules Version 10, page 14 and <http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/Power-stations/Large-scale-generation-certificates/Large-scale-generation-certificate-eligibility-formula>

Renewable Power Percentage (RPP) – The renewable power percentage represents the number (or percentage) of LGCs each liable entity (i.e., electricity retailer) is required to surrender each year. Retailers in turn include the surrender of LGCs in electricity contracts, and as the end consumer of electricity, organisations like Dexus are receiving a proportion of total electricity in line with the RPP. Dexus is applying the RPP as a close proxy for the national proportion of renewable energy supplied to consumers via their electricity arrangements.

For reporting of assets in Australia:

The RPP is published annually by Australia's Clean Energy Regulator:

<http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/the-renewable-power-percentage>

For reporting of assets in New Zealand:

Although statistics on the proportion of renewable electricity production is published by New Zealand Ministry of Business, Innovation and Employment (<https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-statistics-and-modelling/energy-statistics/electricity-statistics/>), energy retailers within New Zealand market are not mandated to purchase energy attribute certificates for a proportion of their electricity from renewables, which requires consumers to purchase energy attribute certificates equivalent to 100% of their consumption.

For this reason, Dexus has assumed that the **RPP for New Zealand = 0**.

Market-based 'residual mix' factors – emissions factors relating to fossil fuel electricity generators, and are derived from the published state-based grid emissions factors (location-based factors), and scaled for the proportion of electricity generated from fossil fuels by subtracting the Renewable Power Percentage (RPP) from total (or 100%) of electricity supplied, as follows:

$$\text{Residual Mix Factor emissions coefficient} = \frac{\text{location based grid factor}}{(100\% - \text{RPP})}$$

Scope 2 'location-based' grid factors in Australia have been sourced from the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*.

Scope 3 'location-based' grid factors in Australia have been sourced from the *National Greenhouse Accounts (NGA) Factors, November 2022*.

Scope 2 and 3 'location-based' grid factors in New Zealand have been sourced from the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022, Tables 9 & 12*.

This approach has been adopted from the *Property Council Scope 2 workbook, v1 28 June 2019* published by the Property Council of Australia, however the calculations are applied individually to each state-based factor, rather than using a national approach.

This deviation has been adopted to maintain consistency with location-based reporting – noting that once the RPP is used to separate grid-supplied electricity into renewable and non-renewable, this approach results in equivalent emissions, should an organisation not make any additional voluntary renewable energy purchases.

Within this approach:

- Electricity attribute certificates acquired directly by Dexus and surrendered are deemed to be additional to those surrendered to meet RET obligations in Australia, or similar schemes in other jurisdictions
- Given the interconnected nature of the National Electricity Market, it is assumed that the proportion of renewable energy is equitably distributed across Australia, including Western Australia



Emissions accounting for 'accredited power stations' – Dexus operates rooftop solar photovoltaic (PV) systems that generate electricity from solar energy for consumption on-site by Dexus, its customers or exported to the grid.

In some properties, the solar PV system has been registered as an Accredited Power Station as defined in Australia's *Renewable Energy (Electricity) Act 2000* and is eligible to create LGCs based on eligible electricity generated.

For the LGCs created, Dexus acknowledges that, as the energy attribute certificate, the LGCs created carry the applicable renewable energy benefit and has the option to retire or transfer these LGCs.

To avoid double-counting of renewable benefits (i.e. claiming solar and retiring LGCs), Dexus accounts for all electricity generated from accredited power stations as being 100% exported to the electricity grid and is substituted by an equivalent amount of 'grid sourced' electricity as an incoming supply to the property. The substituted electricity is accounted for using the market-based emissions methodology above, and in order to claim any renewable benefit, Dexus surrenders the equivalent LGCs or NZ-ECs with the Clean Energy Regulator (in Australia) or Certified Energy (in New Zealand) respectively.

Scope 3 location based GHG emissions

Scope 3 location-based emissions (other indirect emissions) comprise GHG associated with transmission and distribution losses ("energy losses") associated with energy use, waste sent to landfill, recycled waste, and water/wastewater use, and emissions from corporate operations including office paper use, corporate travel and employee commuting.

Data sources:

- Data for energy losses is that used to calculate scope 1 and 2 emissions.
- Data for waste to landfill and recycled waste is provided by waste contractors directly or collated by site managers from data provided by waste contractors. Estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
- Data for water consumption is provided by water utilities. Estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
- Data for corporate operations has been compiled in accordance with the *Climate Active Carbon Neutral Standard for Organisations, October 2022*.

Emissions factors and calculations:

- Scope 3 emissions for energy and waste to landfill have been calculated according to the *National Greenhouse Accounts (NGA) Factors, November 2022*
- Scope 3 emissions for recycled waste have been calculated according to *Department of Sustainability, Environment, Water, Population and Communities: A study into commercial & industrial (C&I) waste and recycling in Australia by industry division: 2013, Table 21: Greenhouse gas impacts of landfilling and recycling materials*.
- Scope 3 emissions for water/wastewater have been calculated using factors derived from the *Climate Active Inventory (version 8.0) circulated on 20 March 2023*, referencing the regional factor for the emission source 'Water supply and wastewater treatment'.
- Emissions for corporate sources included in the boundary have been calculated according to the *Climate Active Inventory (version 8.0) circulated on 20 March 2023*. Corporate sources included in the boundary are:
 - o Telecommunications and use of Data Centres:
 - Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service
 - o IT Equipment and Office Equipment hire:
 - Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service
 - o Paper use including Carbon Neutral Paper:
 - Calculated via the utilisation of weight-based records from the supplier of the consumable
 - o Stationery:
 - Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system
 - o Employee Commuting and Working From Home:



- Calculated via the information collected from a periodic Dexus employee commuting survey and extrapolated based on current FTE figures
 - Business travel, including flights, taxis. Personal car use, hire cars and parking:
 - Business travel is calculated via the provision of records from Dexus's travel agent which detail kilometres travelled on domestic and international flights. Air travel is based on distance method. Personal car use is calculated via distance-method using Dexus's employee records. Hire car and parking records are calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system
 - Printing, Couriers:
 - Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service
 - Hotel Accommodation:
 - Hotel accommodation is calculated via activity method based on room night records from all domestic and international business travel, and provided by Dexus's travel agent
 - Bus shuttle:
 - Calculated via a distance-based method on annualised basis from the frequency and distance of the bus shuttle travel route
 - Food and beverage:
 - Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system
 - Furniture:
 - Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system

Scope 3 market based GHG emissions As per the definition above, except that a scope 3 residual mix factor is used to calculate emissions for non-renewable electricity, in line with the Scope 2 market based GHG emissions definition. For GreenPower, LGCs and NZ-ECs, a scope 3 emission factor = 0 is applied as losses are taken into account in the creation of LGC's in accordance with the GreenPower Program Rules Version 10, page 14 and <http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/Power-stations/Large-scale-generation-certificates/Large-scale-generation-certificate-eligibility-formula>

Total Net Scope 1, 2 and 3 GHG emissions Total Net Scope 1, 2, and 3 GHG emissions comprises emissions within the reporting boundary for Australia and New Zealand as calculated using the formula below:

$$\begin{aligned}
 & \textit{Total Net 1, 2, and 3 GHG emissions} \\
 &= \textit{Scope 1 GHG Emissions} + \textit{Scope 2 market based GHG Emissions} \\
 &+ \textit{Scope 3 market based GHG Emissions} - \textit{GHG offsets}
 \end{aligned}$$

Where:

- 'GHG offsets' comprises carbon offsets or carbon credits equivalent offset units that have been retired and/or offered for pending acceptance via the relevant registries eligible under the Climate Active Carbon Neutral Standard for Organisations, administered by the Australian Department of Climate Change, Energy, the Environment and Water.
- The Climate Active Carbon Neutral Standard for Organisations provides a list of eligible offset units that have been assessed as meeting the Standard's offsets integrity principles. These principles are designed to ensure that eligible offset units represent genuine and credible emission reductions.
- GHG offsets are created by eligible projects under recognised schemes and each offset represents 1 tonne of abated or avoided carbon dioxide equivalent.
- GHG offsets are created and tracked through market registers.
- 'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and have been adopted by the NGERA.

Reporting is in alignment with the NGERA and its associated guidelines with the exception of Scope 3 GHG emissions as described above. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO₂-e).

Energy consumed

Energy consumed comprises primary energy sources, namely natural gas, diesel and electricity purchased by Dexus for facilities within the reporting boundary for Australia and New Zealand. Energy consumed also comprises secondary electricity that is generated from conversion of solar energy, and natural gas or diesel via combustion, for consumption within the facility. Energy consumed is calculated as a total figure converting measured usage to gigajoules using the methods and conversion factors specified within the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*. Energy consumption has been based on quantities invoiced or metered by suppliers or Dexus. Estimates are used when billing data is unavailable and these are based on Dexus’s methodology, drawing from secondary sources such as meter data or based on seasonal historical estimates.



Energy produced

Energy produced comprises energy captured from natural sources and the manufacture of energy from transformation from another fuel source within Dexus for facilities within the reporting boundary for subsequent consumption onsite or export offsite.

Energy produced comprises:

- **Electricity production from solar radiation (solar PV).** The data for electricity production from solar radiation is derived from site-based sub meters. Estimated data is applied based on Dexus’s methodology if meter data is unavailable at the time of reporting.
 - o Dexus measures and reports on total energy produced, separated into the following end-use consumption outcomes:
 - Electricity consumed on site by Dexus
 - Electricity consumed on site by Customers
 - Electricity exported to the grid
 - o Dexus delineates between LGC-producing and non-LGC-producing systems as follows:
 - a. **Accredited Power Stations:** Larger solar PV systems that are registered as an Accredited Power Station as defined in Australia’s Renewable Energy (Electricity) Act 2000 are eligible to create LGCs based on eligible electricity generated
 - i. Dexus applies a ‘grid-first’ approach and accounts for all electricity generated from accredited power stations as being 100% exported to the electricity grid and is substituted by an equivalent amount of ‘grid sourced’ electricity as an incoming supply to the property.
 - b. **Small scale rooftop solar systems:** Smaller solar PV systems that are not registered.
 - i. Dexus applies a ‘site-first’ approach’ whereby solar electricity is metered and recorded as ‘Solar Electricity’. Where an embedded network is operates at the property, solar benefit attributed to Dexus first, then its customers and then the grid on an annual net-basis
- Dexus measures and reports on total energy produced, separated into the following end-use consumption outcomes:
 - o Electricity consumed on site by Dexus
 - o Electricity consumed on site by Customers
 - o Electricity exported to the grid

Solar energy end-use	Accredited power station	Small scale rooftop solar system
Electricity consumed on site by Dexus	0%	Variable based on metering, with benefit attributed first to Dexus on an annual net basis
Electricity consumed on site by Customers (exported offsite but not to a network)	0%	Variable based on metering, with remaining on-site benefit attributed to customers on an annual net basis
Electricity exported off-site to a network	100% & matched by an equivalent amount of grid-electricity	Variable – remaining excess production exported offsite as measured by property gate electricity meters

- **Electricity production from thermal generation (cogeneration and diesel generators).** Data for electricity production from thermal generation is derived direct measurement or from incoming natural gas or diesel utility data that is multiplied by



efficiency factors of 32% for natural gas and 40% for diesel, which represent the estimated electricity yield. Estimated data is applied based on Dexus's methodology if meter data is unavailable at the time of reporting.

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Energy produced is calculated as a total figure converting measured usage to gigajoules using the methods and conversion factors specified within the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*.

Total net energy consumed	Total net energy consumed is defined as the energy consumed minus the energy produced within the reporting boundary. Net energy consumed excludes energy that is produced and exported 'offsite' to a customer or a network.
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Water consumption	<p>Water consumption is based on quantities invoiced or metered by suppliers.</p> <p>Water consumption comprises:</p> <ul style="list-style-type: none"> – Water purchased by Dexus from local water authorities and suppliers for assets for which Dexus has operational control – Recycled water from onsite greywater and blackwater treatment systems <p>Water consumption excludes water use from onsite rainwater harvesting.</p>
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Total waste	<p>Total waste is based on volume or weight quantities invoiced by waste contractors.</p> <p>Total waste comprises:</p> <ul style="list-style-type: none"> – Waste measured in weight that is sent to landfill by waste and cleaning contractors on behalf of Dexus and our customers for office and retail assets for which Dexus has operational control. – Recycling measured in weight that is diverted from landfill by waste and cleaning contractors on behalf of Dexus and our customers for office and retail assets for which Dexus has operational control. – Where waste and recycling data is based off volumes rather than actual weights, waste contractors use a predetermined density factor to report to Dexus in weight. Waste contractors may apply different density factors based on their historical analysis of different waste collection practices employed at Dexus facilities. For example, there may be variations in bin size and average bin fullness across different facilities. <p>Total waste excludes waste to landfill and recycling for Industrial, Convenience Retail and Healthcare assets where Dexus does not have operational control over waste collection. Where Dexus has operational control over waste collection at Industrial Business Parks, Industrial, Convenience Retail and Healthcare assets, total waste is reported.</p> <p>Furthermore, waste data may be not available for all office and retail facilities. The site area of those facilities that have been reported represents 100% of the total lettable area of retail and office facilities within the reporting boundary.</p>
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Data confidence and estimation	<p>Where primary data such as utility invoices have not been received, estimates are applied using the following prioritised data methodology:</p> <ol style="list-style-type: none"> 1. 30-minute interval electricity, natural gas and water metering data supplied by MP/MDA Metering Dynamics 2. Estimated data using an estimate that accounts for seasonal variances derived by: <ol style="list-style-type: none"> a. Derived from an actual figure for the same period in the prior year, adjusted for the length of the gap b. Derived from an actual figure for the prior month, adjusted for the length of the gap c. Interpolation between two adjacent actual readings, adjusted for the length of the gap 3. Estimated data using the monthly average for the previous 12-month period.
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Parameters used in the preparation of the subject matter - Employees

Dexus applied the following parameters in calculating the reported workforce diversity statistics, absenteeism and safety statistics described above:

Item	Description
Reporting period	1 July 2022 to 30 June 2023
Reporting boundary	Unless otherwise stated below, the reporting boundary comprises employees ('Dexus workforce', 'Dexus employees') across facilities in Australia and New Zealand which fall



	<p>under the operational control of members of the group of which Dexus Holdings Limited is the controlling corporation.</p> <p>The 'Dexus workforce' or 'Dexus employees' includes staff employed full-time, part-time, on fixed term contracts and on a casual basis and excludes independent consultants/service providers and temporary staff sourced via external agencies.</p>
Number of workers	<p>Number of workers - Is defined as the number of workers who were employed by Dexus as recorded at 30 June 2023.</p> <p>Headcount data for the purpose of these statistics represents the active Dexus workforce and is based on the metric 'Total Headcount (ongoing)' as defined by the Australian Public Service Commission (https://legacy.apsc.gov.au/appendix-common-workforce-metrics), as the number of <i>ongoing</i> employees directly employed by Dexus at the point in time described above.</p>
Number of full-time equivalent employees	<p>Number of full-time equivalent employees (FTEs) - Is defined as the number of workers who were employed by Dexus as recorded at 30 June 2023.</p> <p>FTE data for the purpose of these statistics represents the whole Dexus workforce, and is based on the metric 'Total FTE' as defined by the Australian Public Service Commission (https://legacy.apsc.gov.au/appendix-common-workforce-metrics), as the number of full-time equivalent employees directly employed by the organisation at a point in time where part-time employees are converted to full-time equivalent based on the hours they work as a proportion of the hours for a full-time employee.</p>
Number of hours worked	<p>Number of hours worked in the period - Refers to the total scheduled number of hours of all Dexus employees as recorded at 30 June 2023. Dexus offers employees flexible work arrangements and staff are employed under individual contracts that stipulate 38 hours per week for each full-time employee. As Dexus does not track employee working hours and staff do not engage in overtime or shift work, Dexus has defined the 'number of hours worked' as 1824 hours per annum (equal to 240 days x 7.6 hours) per full-time employee.</p>
Percentage of female employees	<p>The percentage of female full time equivalent workers employed is calculated as follows:</p> $\text{Female employees (\%)} = \frac{\text{number of female full time equivalent workers}}{\text{total number of full time equivalent workers}}$ <p>Where:</p> <p>Number of full-time equivalent workers – as defined above</p> <p>Number of female full time equivalent workers – A subset of the number of full time equivalent workers defined above who identify themselves as female</p>
Percentage of females in senior management	<p>'Senior Management team' includes <i>executive management and senior management positions</i> within the Dexus workforce.</p> <p>Where:</p> <p>Executive management and senior management positions include Dexus employees whose role is mapped to one of the following four occupational categories: 'CEO/head of business', 'KMP (key management personnel)', 'other executives/general managers', and 'senior managers', as outlined within worker classification guidance <i>Standardised occupational categories of managers: February 2018</i> published by the <i>Australian Government's Workplace Gender Equality Agency (WGEA)</i>. Refer to: https://www.wgea.gov.au/sites/default/files/standardised-categories-managers.pdf</p> <p>The percentage of females in senior management is calculated as follows:</p> $\text{Females in senior management (\%)} = \frac{\text{number of female senior managers}}{\text{total number of senior managers}}$ <p>Where:</p> <p>Number of senior managers – A subset of the total number of workers with a 'Senior Management team' corporate title as defined above</p> <p>Number of female workers – A subset of the number of senior managers defined above who identify themselves as female</p>
Percentage of female non-executive directors	<p>The percentage of female non-executive directors is calculated as follows:</p> $\text{Female non executive directors (\%)} = \frac{\text{number of female non executive directors}}{\text{total number of non executive directors}}$



	<p>Where:</p> <p>Number of non-executive directors – The total number of non-executive directors of Dexus Holdings Limited as recorded at 30 June 2023</p> <p>Number of female non-executive directors – A subset of the number of non-executive directors defined above who identify themselves as female</p>
Absentee Rate	<p>Absentee Rate (AR) – the number of sick leave and carers leave days per full time equivalent workers employed is calculated as follows:</p> $AR = \frac{\text{number of Sick and Carers leave days}}{\text{number of full time equivalent employees}}$ <p>Where:</p> <p>Number of full-time equivalent employees – as defined above</p>
Work health & safety definitions	<p>Work health and safety (WH&S) incidents account for all recorded incidents pertaining to Dexus employees and includes contractors employed directly by Dexus. All reported incidents in FY21 related to personal injury.</p> <p>The system of rules applied in recording and reporting accident statistics include <i>Australian Standard 1885.1 1990</i>, Workplace injury and disease recording standard as well as definitions within disclosure 403-2 and 403-9 from <i>GRI 403: Occupational Health and Safety 2018</i>, from the Global Reporting Initiative (GRI) Standards.</p> <p>No lost-time injuries/diseases – Those occurrences which were not lost-time injuries/diseases and for which first aid and/or medical treatment was administered</p> <p>Lost-time injuries/diseases – A work-related injury or disease (including a permanent disability or a fatality) that results in one or more days absent from work (not including the day of injury) and is supported by a workers compensation certificate.</p> <p>Occupational disease – A disease arising from the work situation or activity (such as stress or regular exposure to harmful chemicals), or from a work-related injury</p> <p>Fatalities – Fatalities that occur due to an injury or disease occurrence arising from the work situation or activity</p>
Lost Time Injury Frequency Rate (LTIFR)	<p>Lost Time Injury Frequency Rate (LTIFR) - the number of occurrences of injury or disease for each one million hours worked is calculated as follows:</p> $LTIFR = \frac{\text{number of lost time injuries/diseases}}{\text{number of hours worked}} \times 1,000,000$ <p>Where:</p> <p>Number of lost time injuries/diseases – the number of lost-time injuries/diseases recorded during the reporting period as defined above</p> <p>Number of hours worked in the period – as defined above</p>
Fatalities Rate	<p>Fatalities Rate (FR) - the rate of fatalities due to work-related injury is calculated as follows:</p> $FR = \frac{\text{number of fatalities}}{\text{number of hours worked}} \times 1,000,000$
Site-based Contractors Lost Time Injury Frequency Rate	<p>Site-Based Contractors Lost Time Injury Frequency Rate– calculated using the same approach as for Lost Time Injury Frequency Rate and applied across site-based contractors.</p> <p>Using terminology within the <i>GRI 403: Occupational Health and Safety 2018</i> reporting standard, site-based contractors are characterised by Dexus having control of the workplace, but not having control over the individual's work.</p>
Site-based Contractors Fatalities Rate	<p>Site-Based Contractors Fatalities Rate– calculated using the same approach as for Fatalities Rate and applied across site-based contractors.</p> <p>Using terminology within the <i>GRI 403: Occupational Health and Safety 2018</i> reporting standard, site-based contractors are characterised by Dexus having control of the workplace, but not having control over the individual's work.</p>

13 August 2023