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1 William Street, Brisbane

A Message from our Chair



Our vision is to create worldleading sustainable places to work and live, places that generate positive outcomes for the environment, our communities and our members

It is with great pleasure that we share with you Cbus Property's 2021 Sustainability Report.

The past 12 to 18 months have continued to show us that our environment is ever-changing and evolving, and that the sustainability of our workplaces and residences has only become more important.

At Cbus Property, our vision is to create world-leading sustainable places to work and live, places that generate positive outcomes for the environment. our communities and our members.

Throughout the year, we have continued to deliver on our Sustainability Strategy. By developing more sustainable buildings, investing in our people and being future ready, we are creating tangible value for all of our stakeholders.

Our results not only demonstrate that we are delivering on our current strategic goals but more importantly, that we are actively working towards realising our vision and creating a legacy of which we can all be proud.

A Message from our CEO

FY2021 has been a tremendous year for Cbus Property and sustainability continues to be an integral part of the way we develop and manage our investments.

This year, we have seized the opportunity to reassess and refresh our Sustainability Strategy, with the view to set some ambitious new goals in the near term.

Perhaps most significantly is our Net Zero Carbon by 2030 target, which we have fasttracked to achieve by early 2022.



Cbus Property Chief Executive Officer - Adrian Pozzo

Beyond this, we are setting a commitment to make our new projects net zero embodied carbon by 2025.

Furthermore, 171 Collins received a NABERS "Triple Crown", making it the most environmentally sustainable commercial building in Australia with 6 star NABERS Energy, Waste and Indoor Environment ratings. We are also evolving our sustainable design aspirations for our residential projects, with 443 Queen St leading the way and being awarded Australia's first 6 Star Green Star - Design & As Built Version 1.2 Design Review certified rating for a residential tower by the Green Building Council of Australia (GBCA).

To cap off the past year's successes. Cbus Property's commercial portfolio retained its position as the highest-rated commercial office portfolio in Australia, with a 5.5 star NABERS Energy rating in the NABERS Sustainable Portfolios Index 2021 for the second year in a row. Our portfolio also received Australia's highest NABERS Waste rating at 3.5 stars.

These achievements demonstrate our commitment to constantly push the boundaries and drive positive change within our industry. Sustainability is fundamental to developing healthy and safe workplaces and residences and we are honoured to be developing the buildings of the future today.

FY21 Highlights

At Cbus Property, we are proud of our efforts throughout the past 12 months, continuing to add more awards and achievements to our growing list of accolades. By integrating the highest sustainability standards into everything we do, we not only make a positive difference, but demonstrate to the industry just how much is possible with strong sustainable leadership.



Relaunched our Sustainability Strategy, setting ambitious new goals out to 2025.



Highest rated NABERS Energy and Waste office portfolio by the NABERS Sustainable Portfolios Index.



Fast-tracked our 2030 Net Zero Carbon commitment to 2022.

G R E S B

Achieved a GRESB 5 Star rating, and ranked amongst the top one percent of all participants.



Launched our WELL Portfolio program, implementing the WELL building standard across our entire managed commercial office portfolio.



Our commerical office investment portfolio is powered by renewable electricity.

171 Collins

The only building in Australia to receive the "Triple Crown" of 6 star NABERS ratings for Energy, Indoor Environment, and Waste, 171 Collins Street can be considered the most environmentally sustainable building in Australia.

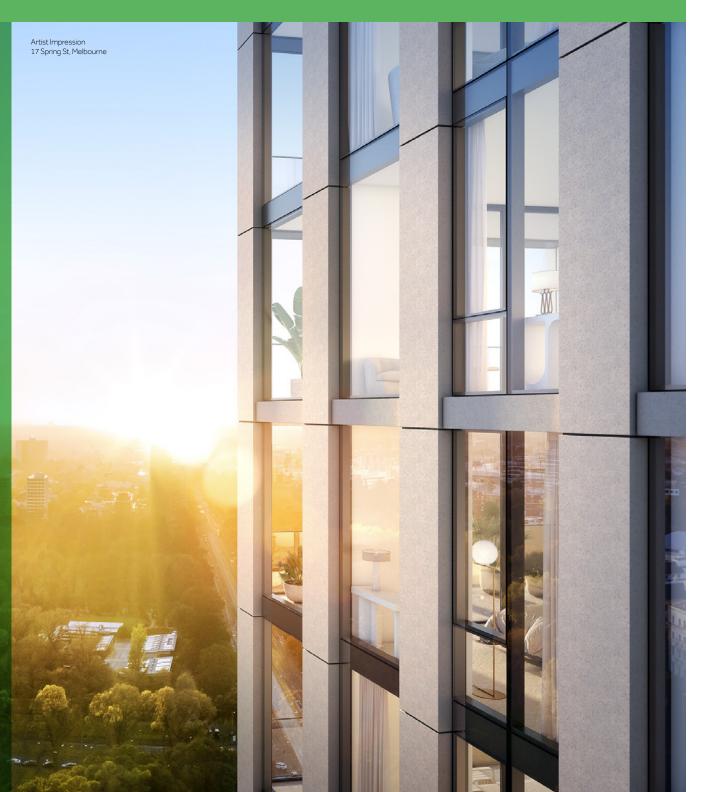


About Cbus Property

Cbus Property is a wholly owned subsidiary of Cbus, the industry superannuation fund for the construction, building and allied industries, with funds under management exceeding \$65 billion at 30 June 2021. Cbus has more than 775,000 members nationally.

Cbus Property is responsible for the strategic performance and management of all aspects of the Cbus direct property investment business, including major investments and developments in the commercial and residential sectors. The property portfolio currently exceeds \$5.0 billion, with a further \$4.0 billion of development work 'in hand', making Cbus Property one of Australia's leading integrated property investors.

Since inception in 2006. Cbus Property has built a strong reputation by delivering leading sustainable development projects and manages an investment portfolio that sets the benchmark for sustainable buildings. We do so by developing high-quality spaces to work, live and thrive, while delivering positive environmental, social and economic outcomes.



Business Strategy

Sustainability Report 2021

Challenging the status quo has placed Cbus Property in the very strong position we are in today and will allow us to move forward while adapting to the next generation of property investments.

Cbus Property's business strategy and flexible and nimble business model has resulted in a consistently strong return to members through the combination of residential sales, development profits valuation uplift, and core investment returns.

The business is supported by a strong, highperforming office investment portfolio, made up of 52 per cent government-related tenants on long-term leases, providing a consistent income stream that underpins our business, enabling us to source further development opportunities throughout Australia.

Sourcing quality development opportunities has been a key theme in 2021, with demand continuing for high-end residences in prime-located buildings.

Sustainable property development and management remains front of mind for Cbus Property. Though COVID-19 has presented some challenges, we have embraced the opportunity to respond and transform the way we will design and manage buildings to enhance the health and wellbeing of our tenants.

Offices

In the office sector, we anticipate the next generation of office buildings will include places to retreat, to seek respite, make personal connections and link employees to the tenants' cultural identity. We need to continue to create sustainable places to work, which are about amenity; additional and flexible services; and community.

Residences

In the residential sector, we are evolving the way we design residences and apartments, catering to the shifting expectations of our customers. Apartments are now considered homes, and need to provide the ability to work comfortably - whether that is with dedicated offices or co-working spaces. It is also about the establishment of a community - through the creation of amenity, recreational areas, and services, such as communal and private lounge and dining rooms, open green spaces, and designated play zones - enabling residents to connect and relax in fantastic surrounds.

Values

We are driven by:



Courage



Passion



Openness



Accountability

Delivering excellence for:



Our people



Our members



Our customers



Financial Performance

Cbus Property's investments and developments benefit our members through the strong return they provide, and the thousands of jobs created in the construction and allied industries.



11.40%

Returns for the year (FY21)



15.01%



+100,000

Jobs created to

Our Investments

Sustainability Report 2021

currently exceeds \$5.0 billion. with a further \$4.0 billion of development work `in hand', making Cbus Property one of Australia's leading integrated property investors. Sustainability is a key investment

Our investment portfolio

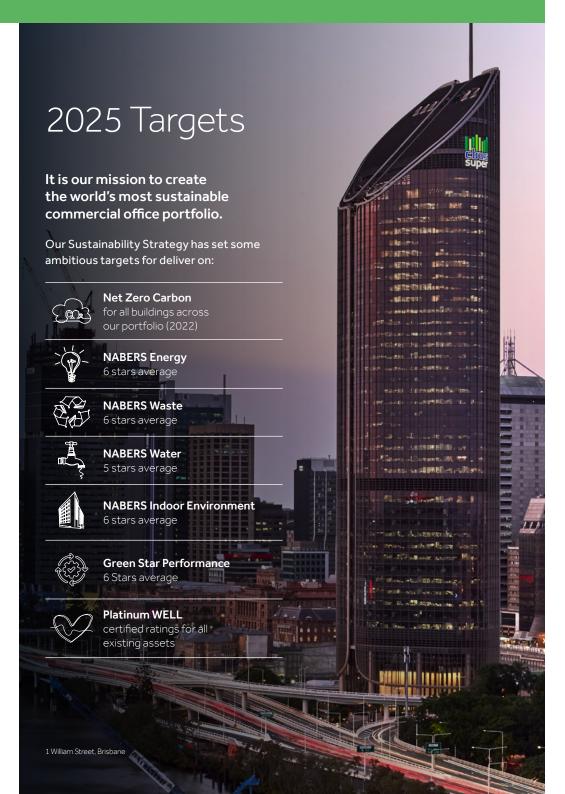
principle from day one. Our investment management approach involves assessing key sustainability risks and opportunities, such as performance, community, and climate risks during the acquisition process for our sites.

Once a site has been identified, we work intensely with our development teams to ensure our designs have the highest sustainability outcomes built in. More information on our sustainable design criteria is available on page 9.

A key factor to the sustainable performance of our portfolio is the passionate and extremely dedicated teams of professionals managing our investments. They are the key to our success and our results speak for themselves.

Our dedication to managing our assets, reducing operating costs, and creating great places to work provides us with a commercially sustainable portfolio, strong growth and returns, high occupancy rates, and long Weighted Average Lease Expiries (WALE).

Although we already set high standards for energyon continual improvement has increased NABERS Energy ratings by an average of 0.7 stars compared to the original design target.



Sustainability Report 2021



1 Bligh Street, Sydney

(sold July 2021)

- ▶ Green Star Design & As Built 6 Star
- ➤ Green Star Performance 5Star
- ➤ NABERS Energy 5.5 star
- NABERS Indoor Environment 5 star
- NABERS Water − 5.5 star



313 Spencer Street, Melbourne

- ▶ Green Star Design & As Built 5 star
- NABERS Energy − 5.5 star
- ➤ NABERS Indoor Environment 5.5 star
- NABERS Water − 5 star



720 Bourke Street, Melbourne

- **▶** Green Star Design & As Built 6 star
- NABERS Energy − 5.5 star
- ➤ NABERS Indoor Environment 4 star
- NABERS Water − 4.5 star
- Gold WELL certification
- CAF 3 Star certified

447 Collins Street, Melbourne

Platinum WELL V1 (precertification) NABERS Energy 5.5 star (designed)

▶ Green Star Design & As Built – 5 Star (designed)

- ▶ Green Star Design & As Built 6 Star
- ➤ Green Star Performance 5 Star
- ➤ NABERS Energy 6 star
- NABERS Indoor Environment − 6 star
- NABERS Water 5.5 star



5 Martin Place, Sydney

- ➤ Green Star Design & As Built 5 Star
- ➤ Green Star Performance 5 Star
- NABERS Energy 5.5 star
- ➤ NABERS Indoor Environment 5.5 star
- ➤ NABERS Waste 2.5 star
- NABFRS Water 4.5 star.



1 William Street, Brisbane

- ▶ Green Star Design & As Built 6 Star
- Green Star Performance 6 Star
- ▶ NABERS Energy 5.5 star
- NABERS Indoor Environment 6 star
- NABERS Waste − 4 star
- NABERS Water − 4 star



140 William Street, Perth

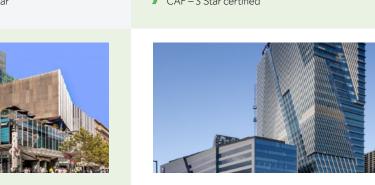
- ➤ Green Star Design & As Built— 5 Star
- ➤ NABERS Energy 5.5 star
- ➤ NABERS Indoor Environment 4 star
- NABERS Waste 2.5 star
- NABERS Water − 3 star



311 Spencer Street, Melbourne

(live 9 July 2020)

- ➤ Green Star Design & As Built 6 Star
- ▶ Green Star Interiors 5 Star



171 Collins Street, Melbourne

- ➤ NABERS Waste 6 star



Design Targets

We integrate minimum sustainable design targets and requirements.

By mandating an integrated and collaborative design process, we ensure that the long-term future of buildings is always considered, and no opportunities are left on the table.

Ensuring that stakeholders are well engaged in our projects is a key principle for Cbus Property, including engaging in the communities where our projects will be built.

In addition, we have robust development policies that create safe and inclusive onsite environments. We also work to integrate Indigenous participation targets into our construction deliverables to support the reconciliation with our First Nations peoples.

Backed by our innovative and extensive commissioning and tuning processes, Cbus Property is able to achieve the highest ratings through independent design benchmarks such as Green Star, NABERS and WELL Certified.

To date, we have delivered 15 Green Star certified projects, covering **more than 575,000** square metres of commercial office accommodation across Australia.

Our aspirational sustainable design targets are as follows:



6 Star Green Star Design & As Built certification



Designed to achieve net zero carbon in operation



Platinum WELL certification



5.5 star NABERS Energy design



90 per cent re-use or recycling of materials from construction and demolition



100 per cent of projects to have Climate Risk Assessments



7.5 average NatHERS rating (residential)

Sustainability Report 2021



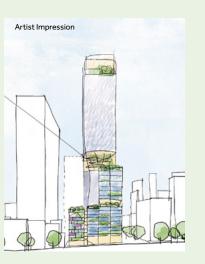
83 Pirie Street, Adelaide

- Green Star 6 Star (Designed)
- Platinum WELL Certified (targeted)
- ➤ NABERS Energy 5.5 star (design)
- Net Zero Carbon in operation (design)



205 North Quay, Brisbane

- Green Star 6 Star (targeted)
- Platinum WELL Certified (targeted)
- ➤ NABERS Energy 5.5 star (design)
- Net Zero Carbon in operation (design)



435 Bourke Street, Melbourne

- Green Star 6 Star (targeted)
- Platinum WELL Certified (targeted)
- NABERS Energy 5.5 star (design)
- Net Zero Carbon in operation (design)



Mixed Use

111 & 121 Castlereagh, Sydney

121 Castlereagh (commercial)

- ➤ Green Star Design & As Built - 6 Star (targeted)
- ➤ NABERS Energy 5.5 star (design)
- Platinum WELL Certified (targeted)

111 Castlereagh (residential)

NatHERS 7.6 stars average



Collins Arch, Melbourne

423 Collins Street (residential)

- ▶ Green Star Design & As Built 5 Star
- NaTHERS 7 star average
- Created a new public park refer to case study on page 30 for more information

Residential



The Langston, Epping

- ▶ NatHERS 5.1 stars average
- ▶ Rainwater reuse for irrigation



17 Spring St, Melbourne

- ▶ NatHERS 7 stars average
- Rainwater capture and reuse
- ➤ Electric vehicle charging stations



443 Queen St, Brisbane

- ➤ Green Star Design & As Built 6 Star Design Review
- NatHERS 7.5 stars average
- ➤ Electric vehicle charging stations

Refer to case study on page 20 for more information



Como Terraces, South Yarra

- ▶ NatHERS 6.5 stars average
- Rainwater capture and reuse
- Electric vehicle charging stations



- NatHERS 5.7 stars average
- Rainwater capture and reuse
- New public park

Newmarket, Randwick

- 21kw onsite solar system

- Electric vehicle charging stations

ABOUT

Sustainability Strategy

In FY2021, we have revitalised our Sustainability Strategy to set a clear path to deliver and manage world-leading sustainable buildings.

Our new strategy focuses on our most material risks and opportunities to generate positive outcomes for the environment, our communities and our members.

Building a sustainable tomorrow, by creating buildings of the future today.



Cbus Property has refreshed its
Sustainability Strategy and set out
bold and ambitious targets to create
a new standard for sustainable
commercial and residential buildings.

Our Strategy

Sustainability Report 2021

Our sustainability strategy is focused on three key themes:

Better Buildings

Creating and managing world-leading sustainable buildings. Delivering positive outcomes for the environment. our communities, our suppliers, our customers, and our tenants.

Investing in people

Creating healthy, happy and inclusive communities for people to work and live.

Future ready

Being ready to tackle the opportunities and risks of the future. Implementing robust systems that futureproof our investments, and therefore safeguard the longterm value of our business.



Investing in People









Materiality & Engagement

Materiality is a key governing principle of any best practice sustainability strategy.

The materiality process ensures programs, activities and resources are prioritised appropriately. Focusing efforts on the sustainability or environmental, social and governance (ESG) issues that matter most to internal and external stakeholders.

We utilised a materiality review conducted in 2020 to identify our most material risks and opportunities, using internal and external sources of information to identify the sustainability and ESG issues considered most material - those with potential to provide a material risk or opportunity to the business. Please refer to the Cbus Materiality Supplement for further information - available here.



Environment

- > Climate change
- > Environmental Impact



Social

- > Employee value & workplace



Governance



2025 Goals

Throughout the next five years, we will work towards the following:

Better Buildings	
Resource Efficiency & Responsibility	Reduce the environmental impact of our buildings by a further 10 per cent, including energy, water, waste and tenant energy (from FY19 baseline)
Responsible Supply Chain	 Implement a sustainable procurement system (aligned with ISO 20400:2017 Sustainable Procurement Guidance standard) Operate with a supply chain that continues to mitigate modern slavery risks Partner with building occupants to make our entire buildings more sustainable
Climate Change	 Achieve Net Zero (operational) Carbon by early 2022 Deliver Net Zero (embodied) Carbon buildings for all new developments Manage climate risks through a Task Force on Climate-Related Financial Disclosures (TCFD)-aligned climate change program
Sustainability Standards & Certifications	 Be known as the world's most sustainable developer (through Green Star) Deliver and manage the world's healthiest building (through WELL certification) Operate the most sustainable commercial portfolio in Australia (through NABERS and Green Star Performance)
Materials & Waste	 Achieve a 75 per cent operational waste recycling rate across our portfolio Achieve a 90 per cent recycling rate for all building, construction and refurbishment waste All products and materials used in our buildings will meet our sustainable procurement criteria

Investing in People	
Community Engagement	 Create and maintain strong connections with our communities through positive community engagement Deliver positive and measurable social outcomes by investing in the needs of our communities
Training	 Develop our people into a highly skilled team recognised as industry leaders, through a best practice training and career development program Build and utilise a team of passionate sustainability leaders through a comprehensive sustainability training and engagement program
Diversity & Inclusion	 Be a champion for gender equality in the construction and property industry Foster a culture of diversity and inclusion Promote the reconciliation with First Nations peoples and communities by building respect and relationships, and offering opportunities that build equality
Health & Wellbeing	 Invest in the health and happiness of our team with a world-class health and wellbeing program Deliver buildings and experiences that measurably enhance the health and wellbeing of our tenants and residents
Future Ready	
Governance & Transparency	 Fully integrate sustainability throughout our governance systems and processes Govern our organisation with a series of best practice, publicly available policies

Governance & Transparency

- Govern our organisation with a series of best practice, publicly available policies
- > Provide our stakeholders with best practice, comprehensive and verified ESG disclosures



Innovation

- > Create a portfolio of Smart Buildings that deliver exceptional user experiences and sustainable outcomes
- > Foster a culture of innovation committed to keeping us at the forefront of building design, technology, experience and sustainability



Resilience

Design and manage buildings to be resilient to climate-related physical risks now and in the future

Better Buildings

Cbus Property invests in, develops and manages worldleading sustainable buildings.

Volaire, West Melbourne

"Better Buildings" is about ensuring the buildings we acquire, develop and manage are designed to, and operate at, the highest sustainability standards. addressing climate change, using fair and ethical supply chains, and supported by the highest sustainability credentials.

This helps both Cbus Property and our occupants to be more sustainable.

We endeavour to be known for setting a new standard for sustainable buildings, and operating the most sustainable investment portfolios.

To create and manage world-leading sustainable buildings, delivering positive outcomes for the environment, our communities, our partners, our suppliers, our customers, and our tenants.



Resource Efficiency & Responsibility

At Cbus Property, we recognise our responsibility to deliver and operate buildings that minimise their environmental impacts.

We target our key areas of resource consumption, such as energy, water and waste, and seek to continually improve operational efficiency, which in turn reduces operating costs.

Energy

Since FY2017, we have saved three million kilowatt-hours of electricity, and reduced the energy intensity of our portfolio by 22 per cent. We are aiming to improve our energy performance by a further 10 per cent by 2025.

We are always exploring new opportunities and technology, and we take the time to understand the real world operation of our buildings, so we can make buildingspecific efficiency changes.

Water

Potable water is a precious resource but it often gets treated as if it were infinite. Since FY2017, we have reduced water intensity across the whole building by 44 per cent, and saved 63,500 kilolitres of potable water. Also, around 11 per cent of our water used at our commercial buildings comes from recycled sources, such as rainwater and greywater, replacing the need for potable water.

We measure water consumption both for the base building, and for tenants. This helps us to understand the best places to make efficiency improvements.



Climate Change

We want to help drive the transition to a low carbon economy, and show the way to a net zero carbon future.

Cbus Property is decarbonising our investments, developments and supply chains to pave the way towards a net zero carbon future. We are investing in renewable electricity, electrifying our buildings, designing our new buildings to net zero carbon standards, and working with our construction and supply chain partners to reduce carbon associated with building materials and construction sites.

Operational carbon

Cbus Property committed to the World Green Building Council's Advancing Net Zero initiative in 2018, which sets a goal to reach Net Zero operational carbon by 2030 for existing assets. However, thanks to our hard work throughout the past 12 months, our portfolio was effectively ready to achieve its Net Zero Carbon target so we fast tracked this goal to early 2022.

We have **reduced** our portfolio's carbon intensity by **75 per cent** since FY17

Reducing carbon is not a new goal for us. Our onsite carbon reduction programs have been reducing the carbon emissions and carbon intensity of our buildings for a number of years and since FY2017, we have reduced the carbon intensity of our portfolio by 75 per cent. The next step on our journey is to certify our buildings carbon neutral through Australia's Climate Active Carbon Neutral Standard. We aim to have the entire portfolio certified carbon neutral by early 2022.

RENEWABLE ELECTRICITY

Case study

As part of our commitment to achieve net zero carbon in early 2022, we are powering all of our commercial office base buildings with renewable electricity.

Renewable electricity procurement and MREP2

We started our renewable power journey with the City of Melbourne's second Melbourne Renewable Energy Project (MREP2), where we signed a 10-year deal with Tango Energy/Pacific Hydro covering the base building electricity needs for our five commercial offices in Melbourne.

The agreement is linked to Pacific Hydro's Yaloak South wind farm in western Victoria After 12 months of operation, the MREP2 agreement alone has reduced our portfolio's carbon emissions by 45 per cent.

For our other commercial offices, we have utilised GreenPower or directly procured renewable energy certificates to deliver renewable electricity to our buildings.

Embodied carbon

Sustainability Report 2021

As a property developer, Cbus Property recognises that embodied carbon emission is another significant source of carbon, and one that is challenging to address. The next big challenge we are setting ourselves is to be Net Zero Embodied Carbon by 2025.

Embodied carbon, in simple terms, is the carbon embedded in the materials, products and energy used in the construction of a building. This can be as much as 16 per cent of the total carbon generated throughout the lifetime of a building, and is set to grow as we decarbonise the operations of buildings.

We are focusing on reducing this figure significantly, and are working with our construction partners to reduce the embodied carbon intensity of new buildings by investing in new building technology, low carbon materials, such as timber and other natural products, and improving our construction practices and logistics.

Our 2025 goal is to reduce embodied carbon in new projects **up to 40 per cent**, and commit to achieve **Net Zero Embodied Carbon** on all projects.

Climate risk

Climate change is a material risk for our business, and one we are taking seriously with our updated Sustainability Strategy.

Our Sustainability Strategy will help limit Cbus Property's exposure to climate-related transition and physical risks and create a resilient investment portfolio now and in the future.

See the **Resilience section** for more information on how we are looking into the future, and using scenarios to mitigate climate risks.

83 PIRIE STREET, ADELAIDE

Case study

83 Pirie Street, Adelaide, is our first Net Zero Carbondesigned development, targeting world-leading performance in the sustainable design of commercial buildings.

greenstar



In addition to a recently being awarded a 6 Star Green Star Design Review rating, 83 Pirie is designed to a 5.5 star NABERS Energy rating for energy efficiency, and will use no natural gas in the commercial building. The construction process and materials selection have focused on tackling embodied carbon, with a 20 per cent target reduction.

33 Pirie will also target high scores in NABERS Water and NABERS Waste atings, and use more sustainable refrigerants. In addition, a full-floor wellness centre will help us to achieve bur targeted Platinum WELL rating.



Sustainability Standards & Certifications

We want to be recognised as one of the most sustainable developers and managers of commercial and residential buildings in the world.

To succeed in our goal of driving the industry forward, we know it is not always enough to just develop and manage sustainable buildings, we need them to be talked about to help inspire others.

To that end, we subscribe to many industry benchmarks and rating tools, such as Green Star, NABERS, WELL Certified and NatHERS, to demonstrate our credentials in the design and operation of our buildings.

Ratings also help us to communicate our strong commitment to sustainability to stakeholders, and align our approach with the expectations of our clients, helping drive our strong retention of tenants at our buildings.

Operational performance rating tools

Two of the most important operational benchmarks and performance rating tools we use to demonstrate our sustainability performance are NABERS and Green Star Performance.

NABERS

In 2021, we were awarded first place in the National Australian Built Environment Rating System (NABERS) Sustainable Portfolios Index for Energy for the second consecutive year. We were also ranked first for NABERS Waste. As Australia's best known environmental performance benchmarking tool, we are utilising the newest NABERS ratings tools, Indoor Environment and Waste to benchmark our performance against these other important areas.

	2021	2020
NABERS Energy	1st 5.5 stars 100 per cent coverage	1st 5.5 stars 100 per cent coverage
NABERS Water	5th 4.1 stars 100 per cent coverage	4th 3.9 stars 100 per cent coverage
NABERS IE	5th 5.1 stars 90 per cent coverage	7th 5.4 stars 49 per cent coverage
NABERS Waste	1st 3.5 stars 66 per cent coverage	2nd 3.9 stars 34 per cent coverage

Green Star Performance

Green Star Performance by the Green Building Council of Australia (GBCA) is a highly valuable rating tool used alongside NABERS to look at other sustainable practices, such as best practice management, sustainable transport, sustainable procurement and innovation. We have obtained Green Star Performance ratings for all of our portfolio, and are busy implementing a strategy to target a 6 Star rating for all our buildings during our recertification in 2022.

Design ratings

To be recognised as the world's most sustainable developer, we need to design to world-leading standards and assess our buildings through independent design and verification tools.

Cbus Property is a proud member and partner of the GBCA. We use the Green Star rating tool (known as the Design & As Built rating) for the majority of our new buildings, to verify our sustainable design standards. To date, we have delivered 15 Green Star certified projects, covering more than half a million square metres of commercial office and residential space. Some of our newest Green Star projects include 311 Spencer Street, Docklands (6 Star Green Star Design & As Built), 83 Pirie Street, Adelaide (6 Star Green Star Design Review) and 443 Queen St, Brisbane (6 Star Green Star Design Review. Cbus Property also uses the NatHERS (Nationwide Home Energy Rating Scheme) for measuring the energy and thermal design performance of our residential developments.

$Health\, and\, well being\, ratings$

At Cbus Property, we want to deliver and manage the world's healthiest buildings, and align to the world's leading health and wellbeing standards.

Cbus Property is a proud member of the International WELL Building Institute, and in FY2021, Cbus Property committed to the WELL Portfolio program, with the aim of incorporating the WELL building and health and wellbeing standards in our existing portfolio, and achieving a Platinum rating across our entire core portfolio by 2025.

We have extensive experience with using the WELL building standard, including:

- 720 Bourke Street, Docklands -Gold WELL certified - first existing building to achieve a WELL rating
- 447 Collins Street, Melbourne -Platinum WELL precertification



443 QUEEN ST, BRISBANE, AUSTRALIA'S FIRST 6 STAR GREEN STAR (DESIGN REVIEW) RESIDENTIAL TOWER

Case study

Cbus Property is proud to have achieved Australia's first 6 Star Green Star Design Review certified rating for a residential building at 443 Queen St in Brisbane. The premium subtropical residential tower features 264 high quality residences, and perfectly demonstrates the new generation of sustainable residences that we are working to design and develop.



443 Queen St has a focus on energy efficiency, achieving a NatHERS 7.5 star average energy rating across the residences, and reducing energy usage by 40 per cent compared to traditional residential buildings in Brisbane. The residences feature fullheight windows to take advantage of natural light and cross flow ventilation; an innovative drying balcony reduces the need for dryers; and energy-efficient cooling

biophilic principles, to help bring residents and visitors closer to nature. The residences sit within a garden environment, allowing residents to access or close off the elements. while arrival gardens replace sealed lobbies and blank corridors with greenery.

443 Queen St includes more than 4.400 square metres of landscaped gardens across all levels of the building, the equivalent of double the greenery that a park on the same site would provide, while a rainwater harvesting system efficiently waters the landscaping.

This project sets a new benchmark for sustainable design. We will take our learnings from the design and development process and apply them to other projects in our development pipeline, helping us to deliver more high quality sustainable residences across Australia.



Responsible Supply Chain

Cbus Property is committed to creating a responsible, ethical, and sustainable supply chain. This means building partnerships with our contractors, suppliers and tenants to ensure we are creating positive change for our communities, the environment, and wider society.

We rely on our supply chain partners to make our developments and investments successful. and to achieve our goals, we need to work with suppliers and contractors that align with our vision and values, and meet our expectations.

Our property management teams and service providers are also key parts of our supply chain, and we work with them to manage our buildings in the most sustainable way. We are also looking at how we can collaborate with our tenants to help them, and therefore our buildings, operate more sustainably.

Furthermore, we work with our builders to deliver on our sustainable outcomes in our new projects and to uphold our high standards for quality, safety and supply chain risks.

Sustainable procurement

In FY2021, we undertook a process to develop and implement a sustainable procurement system aligned to the best practice ISO20400 standard. The Sustainable Procurement Framework is now in place, and outlines the key principles we follow for procuring the goods and services we need for operating our business. Specifically, being ethical and responsible, being transparent and fair, rewarding stewardship and accountability, and using procurement to help drive positive sustainable outcomes.

We also refreshed the ESG principles in our Charter of Selection and Conduct Criteria for Consultants and Principal Contractors, a publicly available

Anti-Modern Slavery program

Modern slavery is one of the most significant human rights issues facing the world today, and we are committed to tackling it across our supply chain.

We have been collaborating with Cbus Super through a modern slavery working group, which in FY2021 created a roadmap of key actions and deliverables to reduce the risks in our supply chain. Our latest Modern Slavery statement is available here.

In FY2021, we laid the foundations for continuing this roadmap, by integrating modern slavery into our governance and operating policies. We ensured 100 per cent of our employees received modern slavery training, while our property management teams received specific training to raise awareness of the issue.

We are using the Property Council of Australia's Platform to integrate Modern Slavery into our procurement processes for key suppliers. See the case study on the following page for further details.

We know there is more to do in our Anti-Modern Slavery program and in FY2022, we will focus on enhancing our grievance mechanisms and remediation frameworks.



PROPERTY COUNCIL OF AUSTRALIA'S MODERN SLAVERY PLATFORM -INTEGRATING DUE DILIGENCE INTO **OUR PROCUREMENT PROCESS**

Case study

A critical part of our Anti-Modern Slavery program is building and creating relationships with contractors and suppliers that are committed to tackling modern slavery in their supply chain.



Artist Impression 443 Queen St. Brisbane

CAF certification

Cbus Property is a proud member of the Cleaning Accountability Framework (CAF), the most effective supply chain and auditing standard for the cleaning industry.

We use CAF as an anti-modern slavery measure, with the added advantage of demonstrating our commitment to a respectful, safe, and fair environment for cleaning workers.

Our cleaners are a crucial part of our wider property management team, and their roles are a critical part of operating commercial buildings successfully.

We have certified 720 Bourke Street Melbourne, and are in the process of certifying three more investments, as part of our commitment to have our entire managed commercial portfolio certified with CAF by 2022.



Tenant engagement

Much of our sustainability program is targeted towards our tenants, to help make their operations more sustainable, which will in turn make our buildings more sustainable. and as healthy as possible, while also building a positive sense of community.

During FY2021, the COVID-19 pandemic and related restrictions have impacted our buildings significantly, and affected building occupancy. We have been monitoring energy consumption by our tenants to ensure that energy is not wasted during lockdowns, and we saw a 24 per cent reduction in tenant energy use versus FY2020.

We scored 90 per cent in our latest Tenant Satisfaction Survey (2019), placing us first, and exceeding the Premium Tenant Survey Index benchmark.

This benchmark includes 60 other premium or A-grade assets across Australia. Despite our outstanding scores, we will continue to use tenant survey information to look for improvements and enhancements.



Materials & Waste

We place a significant emphasis on ensuring all materials used in our buildings are responsible, renewable and healthy, and we strive to operate as a circular business by reusing and recycling.

Our business must utilise a significant quantity of construction materials and products, which if not managed correctly, can create significant volumes of waste. Employing a circular economy approach to the supply and disposal of the materials and products we use is crucial for achieving our goal of a sustainable future.



171 Collins Street, Melbourne

Operational waste

We take a resource recovery approach to our operational waste and recycling program, one which sees everything that comes through our buildings treated as a resource, not waste. Our goal for 2025 is to achieve a 75 per cent operational recycling rate across the portfolio, working towards the ambitious target of zero waste to landfill. Our strategic approach to recycling includes measuring our waste using the newest on-site scales systems, conducting on-site audits to better understand behaviours. and running targeted engagement programs to promote recycling best practices.

Although our overall portfolio recycling rate decreased by 6 per cent compared to FY2020. our overall waste generated declined by 32 per cent, driven by the low occupancy of our buildings during COVID-19 lockdown restrictions. We had some particularly outstanding results, such as at 171 Collins Street, which remains the highest performing commercial building in Australia, with a 77 per cent recycling rate in FY2021 and a 6 star NABERS Waste rating (the only building in the country to achieve this to date).

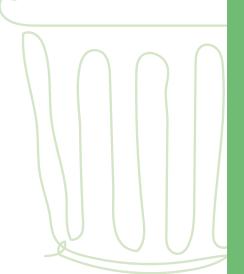
In FY2021, we recycled 47 per cent of all waste, and reduced overall waste volumes by 32 per cent compared to FY2020.

Demolition and refurbishment waste

The development and refurbishment of existing investments can generate significant amounts of waste, and we work hard to minimise the amount that goes to landfill. In FY2021, we exceeded our target of 90 per cent recycling of building, construction and refurbishment waste, reaching 96 per cent at current development projects.

In 2022, we will focus on refurbishments and tenant fitouts to recover and recycle as much material as possible, and ensure the materials we select help to minimise potential waste to landfill.

96 per cent of all construction and demolition waste was recycled in FY2021



140 WILLIAM STREET, PERTH CARPET REPLACEMENT

Case study

In late 2020, we replaced the carpets throughout our 41,753 sqm office building at 140 William Street in Perth as part of a significant refurbishment project. The project was planned with a sustainable approach to materials and waste principles.

Cbus Property is committed to creating healthy, happy and inclusive places to work and live.

We put people at the heart of how we design and manage our investments, and how we operate our business, using our projects to drive positive change and deliver beneficial social outcomes to the

We know that investing in people and communities is highly beneficial, for our tenants, buyers and communities, our partners, and for Chus Property.

We invest in our employees with health and wellbeing programs, and valuable training and development opportunities. We also work to create a culture of inclusion, diversity and respect, welcoming and recognising the value of all people who live and work in our spaces.



Health & Wellbeing

We spend almost 80 per cent of our lives inside, so buildings play a significant role in creating safe and exceptional indoor environments for people to work and live. We endeavour to create buildings that help make people healthier.

The design and management of our buildings allow us to improve the quality of air, light, and water, promote active and healthy lifestyles, and support mental wellbeing - all of which helps lead to higher performing people, reduced illness and stress, and improved work/life balance.



Our people

Health and wellbeing has been a priority at Cbus Property for many years. Our Health & Wellbeing Framework has established workplace practices and initiatives that promote the health and safety of our employees.

The Cbus Property Wellness Model considers wellness as a holistic, integrated model and incorporates Physical, Social, Emotional, Spiritual, Environmental and Intellectual wellness pillars.

Our program includes an extremely popular Health & Wellbeing Allowance that our people can use for health clubs, gyms or other appropriate and approved activities. The program also provides free health checks, flu vaccinations, flexible working support and an Employee Assistance Program.

The ongoing COVID-19 restrictions during FY2021 demonstrated more than ever why our health and wellbeing efforts are so important. We revamped our flexible working policy to support our people through lockdowns and enable a "work from anywhere" approach. We also used our Health & Wellbeing program to help employees stay connected, with weekly online group fitness classes, employee catch-ups, and a virtual Wellness Festival. This included events such as life and professional coaching, support for parents homeschooling children in lockdown, fitness classes, and telehealth consultations.

Our Health & Wellbeing Program is highly valued by our employees.

Building occupants

Considering the health and wellbeing of the people who occupy our buildings is a key principle of the delivery and management of our buildings.

Cbus Property utilises the world-leading WELL building standard to integrate design and operational principles that enhance health and wellbeing and indoor environment quality, as well as promote mental health and wellbeing.

All our new commercial office developments target a Platinum WELL rating, and we are committed to achieving Platinum WELL ratings at our existing office buildings using the WELL Portfolio program.

This also means providing exceptional indoor environment quality. Cbus Property uses the NABERS Indoor Environment (IE) rating to measure the key metrics associated with providing best practice indoor environments, such as temperature, fresh air and lighting. Our office portfolio NABERS Indoor Environment rating of 5.1 stars is the fifth highest portfolio in Australia, with 1 William Street. Brisbane and 171 Collins Street, Melbourne achieving the highest possible rating of 6 stars.

We run a premium health and wellbeing experience service for our occupants that promotes both physical and mental wellbeing. This can include state-of-the-art wellness centres and spaces, online wellness platforms, and end-of-trip facilities that encourage movement and active lifestyles.

Training

In FY2021, we supported our people to invest an average of 35 hours of training per person.

Our comprehensive training program covers a broad range of topics, paid study leave opportunities and supporting at least 75 per cent of employees to take up external training.

By implementing a new Learning Management System (LMS), we have provided a series of online training modules that cover topics such as compliance, fraud, health and safety, and modern slavery.

In addition, as we build a more sustainabilityfocused culture, we want to use training to help employees make more sustainable choices, both at work and at home. Our latest Employee Engagement Survey results showed sustainability engagement and support has increased by an average of 17 per cent.



Health and safety

We are committed to ensuring no one is put at risk from our business activities. The health and safety of workers, including employees and contractors, partners, tenants, purchasers of residential properties and the general public, are of paramount importance to us.

Our approach ensures we are taking the most advanced approach to keeping people safe.

On-site safety during the development phase of our projects is a significant focus for us and we work with our builders to implement a best practice health and safety program. This includes availability of medical personnel, communication and safety training, risk management, provision of Personal Protective and Life Saving

Equipment (PPE), promoting safety in design, and engaging in third party safety audits.

This approach continues to see us record comparatively low rates of lost time due to injuries in FY2021, and although this was somewhat impacted by COVID-19, we are committed to reducing the number further. Our Lost Time Injury Frequency Rate (LTIFR) of 0.47 compares to national averages of 5.2 for residential construction and 8.2 for non-residential construction, as published by Safe Work Australia.

In addition, through the COVID-19 pandemic, we have focused on ensuring our workplaces are safe, for our employees and contractors, and for our tenants and their employees.

	FY2019	FY2020	FY2021
Fatalities	0	0	0
Lost time injury rate (based on per 1,000,000 hours)	2.62	1.70	0.47
Near misses	21	9	7
First aid injuries	265	186	98
Medical treatment injuries	53	29	17

1 WILLIAM STREET, BRISBANE -WATERLINE PARK GYM

Case study

The on-site team at 1 William Street, Brisbane, identified an opportunity to utilise the nearby Waterline Park to improve health and wellbeing options for the building occupants.

Waterline Park is a recreation hub on the riverside directly opposite 1 William, providing public active-leisure facilities, including gym and exercise equipment. We created a program that allows free hire of the fixed table tennis tables for occupants, in addition to purchasing a variety of weighted skipping ropes that can be hired free of charge.

We also provide picnic blankets for free hire, that can be used at Waterline Park or the nearby City Botanic Gardens, boosting wellbeing opportunities.

To help ensure the equipment remains sanitary and safe for all users, we have implemented a cleaning procedure undertaken by our concierge when each piece of equipment is hired and returned. The program has become popular with the building tenants, who regularly use the equipment during their work day.



1 William Street Brishane

Diversity & Inclusion

Diversity and inclusion is central to how we work at Cbus Property. It is imperative that we create a cohesive, dynamic, and inclusive culture, one that values and celebrates diversity, advances, and reconciles with our First Nations peoples.

We want to create a workplace that empowers our employees to bring their authentic selves to work, thrive in their careers, experience psychological safety and wellbeing, and feel a deep sense of belonging at Cbus Property. We also recognise the power of diversity, in encouraging new schools of thought from different backgrounds, experiences and ideas.

By building and maintaining an inclusive culture, we can better operate in a way that supports the diverse needs of our tenants, occupants, and communities.

Gender equality

Cbus Property aims to be a champion for gender equality in the construction and property industry. At Cbus Property, we recognise that more support is needed for females in the construction and property industry, and we have implemented gender equality targets and initiatives to ensure we play our part.

We have a long-term goal to achieve true representation across all levels of the business by meeting the 40:40:20 gender split standard, namely 40 per cent males and 40 per cent females, with 20 per cent left undetermined. In the short-term, we have met our FY2021

gender representation targets, with 29 per cent female representation for Executive and Senior Manager roles, and 40 per cent across the business. Our longer-term aim is to achieve true representation across all levels of the business (40:40:20).

We also support bringing more females into the construction and property industry. Each of our development projects sets specific targets on female construction project participation, in partnership with our builders. While we have only recently started tracking the results, the current figure for live projects is 5.3 per cent (112,843 hours) of total project hours.

Cbus Property has been reporting to the Workplace Gender Equality Agency (WGEA) since 2014 as part of our compliance processes, and you can read our latest WGEA report here. Positive results for improving our gender balance at manager level and above include:

Two thirds of promotions were for female employees, with 62.5 per cent of managerial appointments being female.





Reconciliation

Cbus Property promotes reconciliation with First Nations peoples and communities by building respect, relationships, equality, and opportunities.

Cbus and Cbus Property's Reconciliation Action Plan (RAP) was launched in 2018. We aim to recognise and pay our respects to the significant contributions indigenous people make to this country, raise knowledge and awareness of their issues, and provide opportunities through our business to contribute to the advancement and determination of First Nations peoples.

Our RAP initiatives include acknowledging traditional owners of the lands on which our buildings are located, supporting important events such as NAIDOC (National Aborigines and Islanders Day Observance Committee) Week and National Reconciliation Week, and using our procurement power to drive change, particularly through setting participation pathways for our development projects to include targets for indigenous labour and apprenticeships.

CELEBRATING NAIDOC WEEK

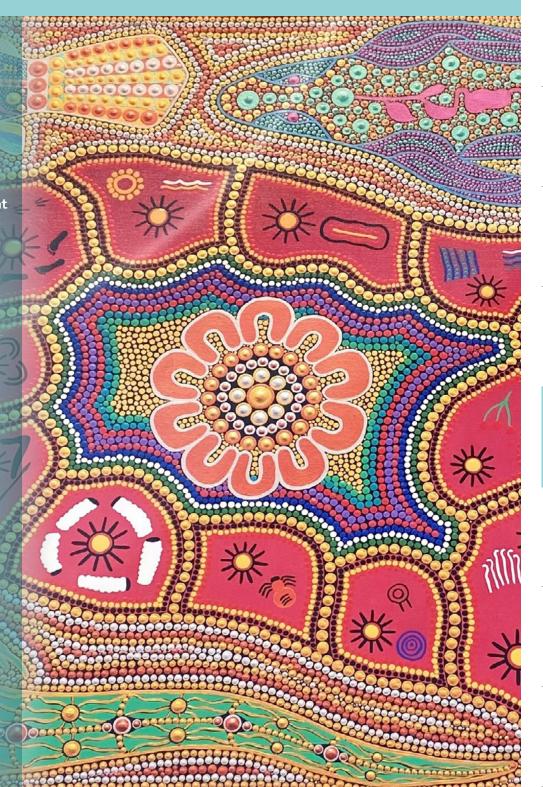
Case study

A key part of our Reconciliation Action Plan is to support important indigenous cultural events.

The team at 140 William Street, Perth, embraced the opportunity in leading up to 2021 NAIDOC Week to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander people:

In partnership with our tenant, the Department of Justice, the 140 William team commissioned a mural created by a local indigenous man who is currently within the justice system. The mural is part of an indigenous artwork trail through the city of Perth. The artwork invites us to consider the importance of country to Aboriginal people. Country is a central part of Aboriginal cultural wellbeing. Country encompasses physical, spiritual, social and cultural connections Aboriginal people have with land, including special and sacred places, waterways, air, earth and everything in between

In is is just one of the many ways we are implementing our RAP across our business and investment portfolio, and building respect, relationships, equality, and opportunities with our First Nations people and communities.



Community

Cbus Property strives to deliver social value and generate positive outcomes for our surrounding communities.

We achieve this by creating and maintaining strong connections with our communities, through both positive community engagement, and by truly investing in our communities.

This includes building public spaces as part of our developments, creating local jobs and employment opportunities, as well as supporting charities and not-for-profit organisations. This allows us to have both a direct and indirect positive impact on the economic and broader wellbeing of communities

Investing in our communities

In FY2021, we implemented a new community investment reporting framework to ensure we capture all of the many community activities we run, and the investments that we and our tenants make. Some of our most significant contributions are through providing in-kind goods and equipment to local charities.

In addition, we aim to work with social enterprises to drive broader social value, procuring products or services that also result in investment in social or environmental causes.

Community engagement

We engage with our communities and stakeholders throughout the development of our projects. We develop a pre-construction plan that identifies potential nuisance and disruption risks that may arise during the construction phase. These risks can include noise impact, dust suppression. vibration, air quality, traffic, and more. We also determine the stakeholders likely to be impacted, which are typically local residents, neighbours, other office buildings and tenants, and pedestrians. We then hold regular community briefings to identify and address community concerns, including how we will monitor and remediate the issues.

For example, our project in Sydney's north west, The Langston Epping, took a very proactive approach to community engagement. The Langston community engagement program aims to provide local businesses and residents with upfront information, facilitate their input into the design of the project, and keep them informed on the project throughout its life cycle.

A Community Liaison Committee (CLC) was established to enable two-way communication between the project construction team and members of the community. The project team has also set up mailing lists and a complaints register, as well as individual and community stakeholder information sessions.



Collins Arch, Melbourne

Case study

In 2021, Cbus Property, our co-owner ISPT and the City of Melbourne, were proud to open CBD for more than 40 years, the Market Street Park.





Collins Arch. Melbourne Photo credit: Trevor Mein

In our commitment to enhancing the public realm, Cbus Property developed the park in collaboration with award-winning landscape architecture studio, Oculus. The sustainable design principles focused on:

- Biophilic design
- Design elements based on pre-colonial histories and locally indigenous plants
- Integrated public art
- Urban heat island effect mitigation
- Urban ecology enhancement
- Water-sensitive urban design (WSUD) elements minimising storm water run off
- Use of local materials and design inspiration from the historic surrounds

The park draws inspiration from the original meandering line of the Birrarung/ Yarra River prior to channelisation, which

is interpreted through a striking water feature. Adjacent to the water wall is a rock in the shape of a banksia cone, which was hand-carved by Wurundjeri/Woi Wurrung and Boonwerrung artist, Glenn Romanis.

The green walls, centre court and park create areas of respite, providing direct and indirect experiences of nature, whether appreciated at ground levels or viewed from above. Many flower throughout the year, extending the site's ecological value to birds and insects.

A Biodiversity Action Plan was developed for the entire park, aimed at enhancing the ecological value of the park, delivering on local strategies and guidelines for open space, trees, biodiversity and connecting people with nature; and raising awareness of the importance of urban ecology.

Sustainability Report 2021

We are taking big steps to be ready for the opportunities and risks of the future. By future-proofing our business and investments, we will safeguard the longterm value of our business.

Future-proofing starts with having robust systems and processes in place that allow effective integration of sustainability and long-term thinking into the business.

This is supported by a culture of creativity, innovation and agility that enables us to push the boundaries of building design and operations, while continually thinking about how to enhance the resilience of our business and communities.

Ultimately, this will help us to safeguard the long-term value of our investments, and therefore our business.



Governance & Transparency

Maintaining robust governance systems and processes to respond to Environmental, Social & Governance (ESG) risks, and provide comprehensive ESG performance reporting to our stakeholders.



Governance

The Cbus Property Board is composed of three independent directors and four nominated Cbus directors. The Cbus Property Board is responsible for the governance, risk management, financial and strategic performance of Cbus Property. Refer to the Cbus Governance Supplement for more detail on Cbus Property's governance structures.

Sustainability Management Committee

In 2019, Cbus Property formed a Sustainability Management Committee. which is made up of executives and senior leaders across our business functions. to oversee the implementation of our sustainability strategy. The committee meets quarterly, and focuses on a series of futurelooking and performance-based topics.

Policies

Cbus Property's business is governed by a range of policies that outline the requirements of how we conduct business in an ethical, responsible and transparent manner. Key policies aimed at managing ESG risks include:

- Charter of Selection and Conduct Criteria. for Consultants and Principal Contractors
- Conflicts of Interest Policy
- Diversity & Inclusion Policy
- **>** ESG Policy
- ▶ Risk Management Framework (RMF)
- Whistleblower Policy
- Work, Health & Safety (WHS) Policy We also began work on a Human Rights Policy, to set out our commitment to respecting the rights of all people and treating everyone with dignity and respect.

ESG risk integration

Cbus Property actively evaluates and manages risk across its portfolio. We assess the risks of all projects and investments, and put measures in place to appropriately manage these risks.

A number of factors have been integrated into our strategic and operational risk response, including the ongoing impact of the COVID-19 pandemic, and ESG risks and opportunities. We have outlined our current and emerging risks and our strategic response in Cbus Annual Integrated Report found here.

Environmental management

Cbus Property takes a best practice approach to managing its environmental risks and impacts. We complete detailed due diligence on our potential new acquisitions to identify any environmental risks, and all our construction projects are managed under an accredited ISO14001 Environmental Management System (EMS) and site-based Environmental Management Plan (EMP).

Our buildings are also operated with sitespecific EMPs, where they are either aligned or accredited to the ISO14001 standard. In FY2020, we created a completely new approach to EMPs, which have been implemented at each property. The plans are reviewed on an annual basis and we are now in the process of updating them to integrate further requirements to ensure we are managing our environmental impacts to best practice standards.

In FY2021, Cbus Property was not involved in any ESG-related breaches or incidents that resulted in fines or penalties.

Reporting

This sustainability report has been prepared in reference to the Global Reporting Initiative (GRI). aimed at providing a more comprehensive set of sustainability disclosures and metrics. We participate in industry best practice reporting frameworks, such as GRESB and UN Principles of Responsible Investment (PRI) to benchmark ourselves against industry leaders. Cbus Property achieved another exceptional result for the 2021 Global Real Estate Sustainability Benchmark (GRESB) assessment, ranking among the top tier (1 per cent) of global participants, and was ranked fourth in the Australia office non-listed sector.

	2021	2020	2019
GRESB Main Survey (Australia Office Non- listed sector)	4th 5 stars#	3rd 5 stars	_
GRESB Developer (Global Commercial /Residential sector)	3rd	1st	3rd [*]

*Cbus Property was classed in a different sector for 2019, so results are not 100 per cent directly comparable with 2020. # 5 stars is awarded to the top 20 per cent of participants

Resilience

We need to make sure that our business, investments and communities are prepared for the future, by building in the resilience needed to manage the future climate and other risks.



Climate risk and resilience

Climate change is a material risk to our business, as identified through our Risk Management Framework, and we align our approach to climate change to the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

Our approach is to design and manage buildings that are resilient to climate-related physical risks, both those we are aware of now, and those that may appear in the future. Taking a leadership position now will reduce the potential financial implications that could arise due to climate-related operating costs, capital costs, or project delays.

Our climate risk and resilience strategy focuses on two key areas:

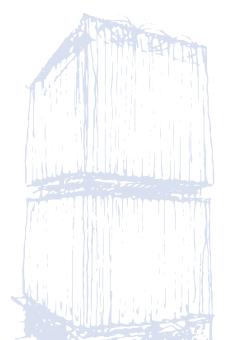
- **Transition risks:** Limiting Cbus Property's exposure to climate-related transition risks by decarbonising our investments and supply chains, supporting the transition to a low-carbon economy.
- **Physical risks:** Designing and managing buildings that are resilient to climate-related physical risks and impacts now and into the future, while also contributing to the resilience of the surrounding community and the systems we interact and rely on.

We have assessed climate risks against a series of different scenarios, covering short- and long-term time horizons, including up to 2050.

Transition risks

We have carefully assessed the transition risks to our business by utilising two key scenarios: firstly, the International Energy Agency's Beyond 2 Degrees C Scenario (B2DS), and then the Science Based Targets initiative. These tools informed our decarbonisation strategy and are committed to reaching Net Zero for operational carbon by early 2022.

We are also tackling embodied carbon through introducing embodied carbon reduction targets for our development projects. This will help us meet customer and investor expectations for low carbon products and reduce the impact of potential regulation or carbon pricing, while also signalling our low carbon intentions to the industry.



Physical risks

We have assessed our physical risks using the two main Representative Concentration Pathway (RCP) scenarios known as RCP4.5 (moderate global effort to curb emissions) and RCP8.5 (minimal global effort to curb emissions), which help determine the potential magnitude of acute and chronic impacts on our business.

In 2019, we undertook physical risk assessments at each of our investments, identifying site-specific short- and longterm vulnerabilities to climate risks. Each assessment incorporates the design and condition of the investment, as well as resilience measures that are already in place, and determines a prioritised list of risks and mitigating actions that can be undertaken.

We built on the learnings from the risk assessments by developing Climate Resilience and Adaptation Plans for each investment.

As our investments are comparatively new, they have been designed with short-term climate risks already in mind. Therefore, the assessments prioritise long-term climate risks, particularly those which may arise as our buildings age, and as the building systems reach end of life, as well as strengthen management practices.

Artist Impression

83 Pirie Street, Adelaide

Innovation

We will continue to embrace innovation to keep evolving and preparing for the future, including creating a platform for innovation and technology to deliver more sustainable buildings, while fostering a culture of creativeness and agility.

We are committed to fostering a culture of innovation that will keep us at the forefront of building design, technology, experience, and sustainability.

Smart Buildings

We are working to create a portfolio of Smart Buildings that deliver both exceptional user experiences and sustainable outcomes. This will be achieved by integrating new technologies into our development projects and building upgrades.

In 2021, we developed and piloted our Smart Building Roadmap at 720 Bourke Street, Melbourne, which includes upgrading existing buildings over time, and integrating smart technology into new development projects. Following a successful pilot, we will be rolling out the roadmap as our future standard for smart buildings.

447 COLLINS STREET, MELBOURNE BUILDING MANAGEMENT SYSTEM (BMS) INTEGRATED COMMUNICATIONS NETWORK (ICN)

Case study

447 Collins Street, Melbourne, is a 49,000-square-metre premium commercial office tower that was delivered as part of the Collins Arch precinct, along with 184 residential apartments and a 294-room W Melbourne hotel.

The building was built with an integrated communications network (ICN), which is a single-fibre optic network backbone that allows for greater integration of building services 447 Collins has integrated the

BMS, lighting controls, access control, CCTV, and some additional services onto the ICN, which allows for various platforms to collect and analyse important data that travels through the network, and also for rapid deployment of services/devices to any part of the building.

collected, 447 Collins has also implemented a Data Analytics platform to track performance in real time, identify issues, tune and optimise. The team has put many hours into customising the analytics and visualisation platform to provide the insights required to keep the building running optimally and continually improve performance.

I he analytics system has also enabled a shift to data-driven maintenance regimes for heating, ventilation and air-conditioning (HVAC), electrical and hydraulic systems, reducing routine maintenance, and assisting with forecasting future equipment lifecycle replacements.

The combination of the ICN and analytics platform allows the site engineering teams and maintenance contractors to get greater insight into actual issues or faults, attending to problems immediately. The platform provides real time Energy Management data and NABERS forecasting, allowing for accurate tracking.

In terms of results, the building is currently tracking above its NABERS Energy design target of 5.5 stars, and driving towards 6 stars. The platform also provides ongoing Indoor Environment Quality monitoring, thus improving tenant comfort and satisfaction, which will ultimately assist in achieving the NABERS Indoor Environment target of 6 stars.



2021 Performance

FY2021 was another significant year for Cbus Property, in which we achieved many key milestones, and laid the foundations for achieving our new 2025 sustainability goals.

These included making plans to bring our Net Zero Carbon goal forward, expanding our NABERS ratings coverage, signing up to the WELL Portfolio program, and implementing new health and wellbeing initiatives across the portfolio. We will continue implementing our Sustainability Strategy, through monitoring our progress towards meeting our 2025 goals, and introducing short-term objectives to demonstrate our progress.

Cbus Property also monitors the sustainability performance of commercial office portfolio, and captures a range of data and metrics to quantify the positive impact of our programs. This includes energy, water, carbon and waste performance data, and we are gradually expanding our range of metrics to include community and other social sustainability measures.



Better Buildings								
Strategy area	FY 21 Objective	Status	Details					
Resource Efficiency	Achieve a further 2 per cent reduction in energy, carbon emissions, water and waste generation across the portfolio		Since FY2019, we have reduced energy use by 13 per cent, carbon by 71 per cent, water by 33 per cent, and waste by 47 per cent, meeting our ongoing 2 per cent reduction targets from FY2019. Please refer to next section for further performance data and our 2021 Sustainability Report Data Pack					
Climate	Develop a Net Zero Carbon strategy for the portfolio		We have developed our Net Zero Carbon plan and have brought forward our target date from 2030 to early 2022, aiming to be certified carbon neutral, through the NABERS Climate Active program					
Change	Integrate adaptation and resilience measures into investment management and capital plans		Asset-specific Climate Resilience and Adaptation plans were updated in FY2021 along with action plans to improve resilience throughout the lifecycle of the asset					
	Develop a 5 Star Green Star Performance strategy		We have formulated a Green Star Performance recertification strategy to achieve a minimum of 5 Stars, but targeting 6 Stars. Implementation is underway for recertification to occur in 2022					
Sustainability Standards & Certifications	Maintain our 5.5 star NABERS energy rating and achieve a 4 star NABERS Water rating		Official 2021 NABERS Sustainable Portfolios Index results were 5.5 stars for NABERS Energy and 4.1 stars for NABERS Water					
	Expand NABERS Indoor Environment (IE) (100 per cent) and Waste (75 per cent) ratings across the portfolio		Expanded NABERS IE ratings to 100 per cent of the portfolio. COVID-19 delayed the rollout of NABERS Waste ratings, but coverage was increased from 34 to 66 per cent. NABERS Waste ratings for remaining buildings are scheduled to be completed by the end of 2021					
Materials	Develop and implement a program specifically targeting construction, demolition and refurbishment building waste		Refurbishment recycling policy created and integrated into our Environmental Management Plans. Current tracking shows a 96 per cent recycling rate for waste from our development projects					
& Waste	Achieve a recycling rate of 60 per cent for operational waste across the portfolio		Due to COVID-19 restrictions, our recycling rate reached 47 per cent. Refer to page 23 for further detail					
Responsible Supply Chain	Develop and implement a Modern Slavery Action Plan to address modern slavery risks within our supply chain		In conjunction with Cbus, we developed a joint Modern Slavery Action Plan as outlined in our 2020 Modern Slavery Statement We are on track to have all items completed within the timeframes					

Investing in People									
Strategy area	FY 21 Objective	Status	Details						
Community Engagement	Implement a community investment reporting system to capture and measure the contributions to our communities		A community investment reporting framework has been developed and integrated into our Quarterly Investment Reports. We will use this to capture all data in a consistent way						
Training	Continue rolling out training to all employees on key ESG matters, with a particular focus on emerging issues, such as modern slavery		We utilised our new Learning Management System (LMS) to roll out ESG training programs to all employees. We also delivered a leadership program run by the Melbourne Business School for 20 of our most senior leaders, which included ESG training on topics such as climate change						
Diversity & Inclusion	Achieve our corporate gender representative targets of 40 per cent for all employees, and 25 per cent at executive and senior leadership levels		We have met our gender representation targets, with 29 per cent for Executives and Senior Managers, and 40 per cent for all employees. See the Diversity & Inclusion on page 27 for more information						
	Establish targets across other areas of our Diversity & Inclusion strategy		We undertook work in 2021 to refresh our Diversity & Inclusion policy						
Health &	Implement a new health and wellbeing resources hub and aim to achieve 40 per cent participation in the program across the organisation		We implemented our Health & Wellbeing Hub and delivered our Wellness Week in 2020, which received a 100 per cent participation rate from our employees						
Wellbeing	Develop targets and measures to track the performance of our Health & Wellbeing program and activities		The results from our latest Employee Survey showed a 16 per cent increase in support for the Health & Wellbeing program, while also identifying areas for improvement and future focus						
	Futi	ure Read	dy						
Governance & Transparency	Refresh our Green Leases to reflect best practice standards and integrate into all new lease deals		We have refreshed our Green Lease provisions, which form part of our standard lease						
Resilience	Conduct a business-wide resilience risk assessment to assess community, social and other potential and emerging risks and long-term impacts to our business		In December 2020, we conducted a Risk Review workshop to identify and assess our top business resilience risks. The results have been integrated into our Risk Management Framework and include climate change, housing affordability, transport diversity and cyber attacks						
Innovation	Assess feasibility and pilot new technology and solutions identified in our innovation forum		We have piloted and developed a series of key innovation projects and technologies throughout our portfolio						

Portfolio Environmental Performance

		Por	tfolio	Investments									
		FY21	Variance from FY20*	1 Bligh St, Sydney	1 William St, Brisbane	140 William St, Perth	171 Collins St, Melbourne	311 Spencer St, Docklands	313 Spencer St, Docklands	447 Collins St, Melbourne	5 Martin Place, Sydney	50 Flinders St, Adelaide	720 Bourke St, Docklands
	Energy intensity (MJ / nla)	322	↓ 1%	291	196	270	269	535	689	350	233	179	166
-	Total energy use (GJ)	137,562	↓ 1%	12,342	15,034	12,441	8,918	34,423	20,508	17,535	7,709	585	8,067
	Renewable electricity (per cent)	90	↑ 69 %	42	100	79	100	100	100	99	100	35	100
	Carbon intensity (kg CO2-e / nla)	14	↓ 70%	42	0	15	11	16	27	12	8	16	4
(m)	Total carbon emissions (tonnes CO2-e)	5,843	↓ 70%	1,789	15	711	359	1,013	818	616	258	54	209
	Water (potable) intensity (kL / nla)	362	↓ 23 %	268	451	881	278	329	492	78	359	160	140
	Total Water (potable) use (kL)	154,693	↓ 23 %	11,370	34,553	40,651	9,195	21,134	14,656	3,931	11,881	523	6,798
Ş	Recycled/reused water (per cent)	11	V 6%	42	0	0	1	24	13	0	0	14	19
	Waste intensity (kg / nla)	3	↓ 32 %	3	3	9	1	2	5	2	2	3	2
Nnnn/	Total recycling (tonnes)	614	↓ 36 %	40	112	188	30	53	89	35	14	10	43
W	Total landfill (tonnes)	683	√ 27 %	76	101	213	9	52	68	62	63	0	39
	Recycling Rate (per cent recycled)	47	↓ 3%	34	53	47	77	51	57	36	19	96	52
	NABERS Energy (stars)	5.5	-	5.5	5.5	5.5	6.0	#	5.5	#	5.5	#	5.5
	NABERS Water (stars)	4.2	↑ 0.3	5.5	4.0	3.0	5.5	#	5.0	#	4.5	#	4.5
	NABERS Indoor Environment (stars)	4.8	↑ 2.4	5.0	6.0	4.0	6.0	#	5.5	#	5.5	#	4.0
	NABERS Waste (stars)	3.5	↑ 2.2	NR	4.0	2.5	6.0	#	NR	#	2.5	#	NR



Information about this Report

Carbon Neutral

Cbus Property is a Climate Active Carbon Neutral certified organisation

Global Reporting Initiative (GRI)

This report has been prepared with reference to the GRI Standards: Core option. As part of the Cbus Annual Integrated Reporting suite, we have integrated our GRI reporting requirements into a single GRI Index that covers both Cbus and Cbus Property, found here.

External Assurance

This report, and the attached FY2021 Sustainability Datapack, has undergone an independent external limited assurance. based on the ASAE3000 standard to demonstrate our commitment to providing robust performance data. Please visit our website for a copy of the Assurance Statement for the 2021 report.

2021 Sustainability Datapack

We have prepared a datapack to house the performance data found in this report, plus more detailed ESG performance data, which can be found here.

The data found in this report and within the 2021 Sustainability Datapack has been prepared in accordance with Cbus Property's internal sustainability data and reporting methodology or "Basis of Preparation". For more details, please refer to the 2021 Sustainability Datapack.















