



G R E S B[®]
REAL ESTATE

2016 GRESB Snapshot - Australia/NZ



Property companies and funds in Australia and New Zealand continue to lead their peers with respect to environmental, social, and governance (ESG) performance. The new 2016 GRESB data show that the region extends its unbroken streak of global leadership despite increasing competition from peers around the world.

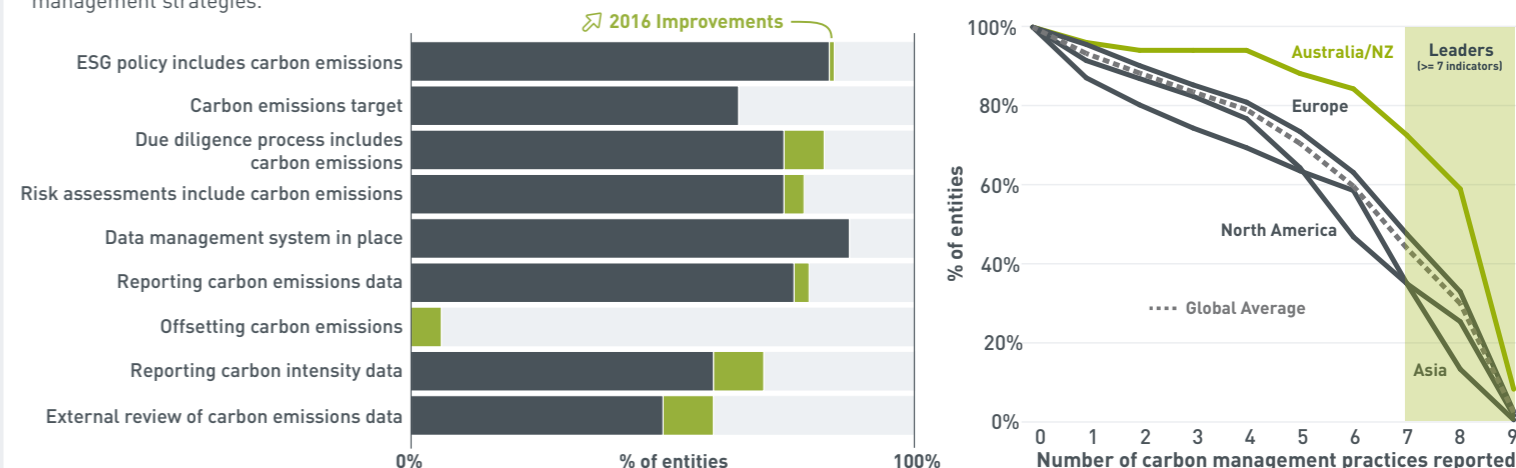
The region's leadership reflects a long-term commitment to sustainability and pervasive spirit of collaboration and knowledge sharing. Companies and funds in Australia and New Zealand are competitive, yet they also are unusually open to exchanging experiences and insights. Competitors frequently work together to address new issues. For instance, firms in Sydney recently worked together to tackle the intractable issue of operational solid waste generation. At the same time, the sector regards superior ESG performance as a proxy for quality – both at the asset and manager level. Collaboration and competition help drive the region's companies and funds to higher levels of performance and support its global leadership year-after-year.

While Australia and New Zealand continue to lead, this year's relative improvement in average ESG performance trails other regions – from 70 to 74. This reflects the challenge of trying to continue to raise the bar from an already high level of performance. Regardless, companies and funds in the region made notable improvements in Building Certifications, Policy & Disclosure, and Performance Indicators.

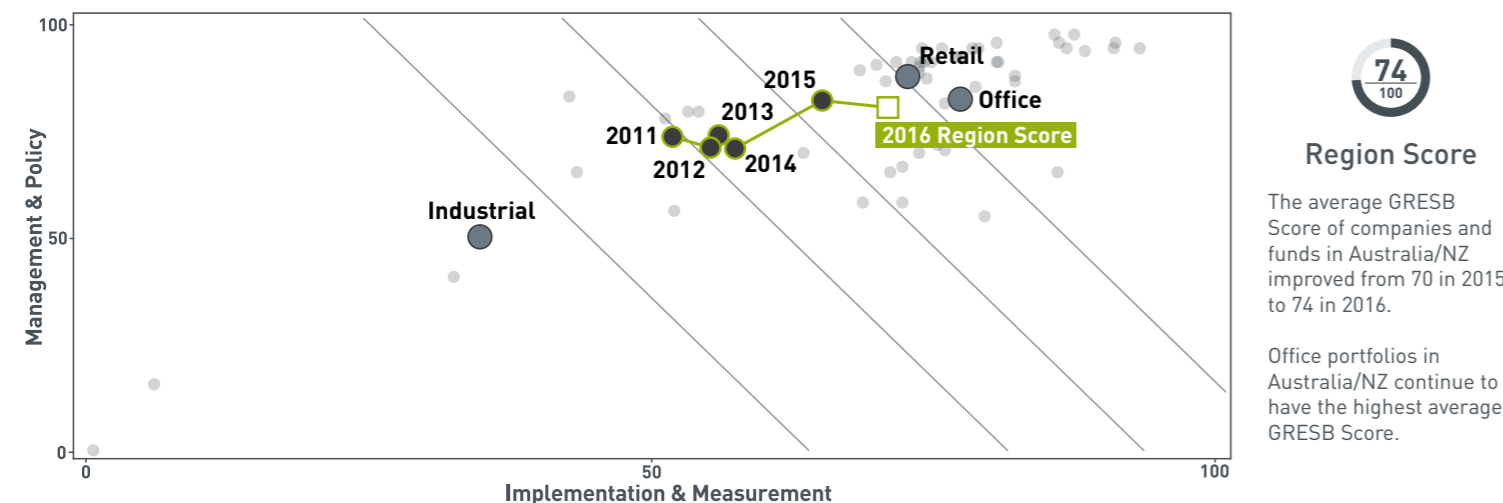
Going forward, there will be no rest for the world's leading region. Governments in Australia and New Zealand are expected to develop more aggressive policies to achieve the goals of the COP21 climate agreement. Investors are moving beyond disclosure to demand tangible improvements in operational performance metrics, such as energy intensity or water consumption. At the same time, companies and funds around the world are working hard to improve their performance and close the gap with Australia and New Zealand. This creates a challenge for companies and funds in the region. Fortunately, owners, investors, and society will all benefit from their efforts to maintain their leadership position.

Carbon Management

GRESB indicators can be examined individually or as functional groups to understand management and performance in key areas, such as carbon, water, waste, and health. The charts below illustrate average responses to individual carbon management indicators and the cumulative achievement of the set of carbon management strategies.

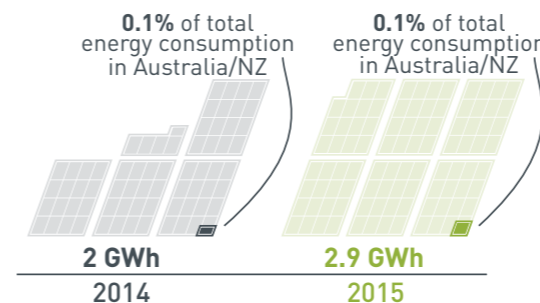


GRESB Model



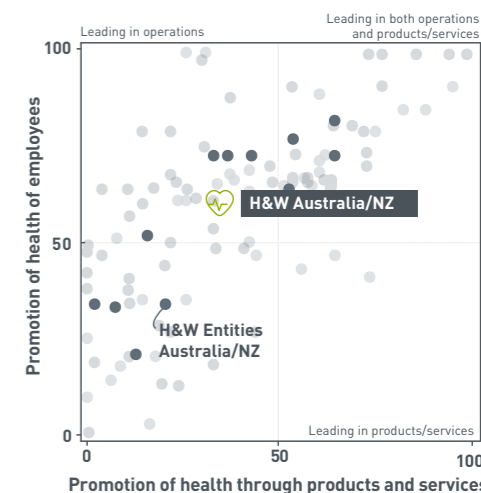
Renewable Energy (generated on-site)

The GRESB Assessment provides data on year-over-year growth in on-site renewable energy. The dark shading indicates renewable energy generated by companies and funds based in the region. The light shading indicates renewable energy generated elsewhere in the world.

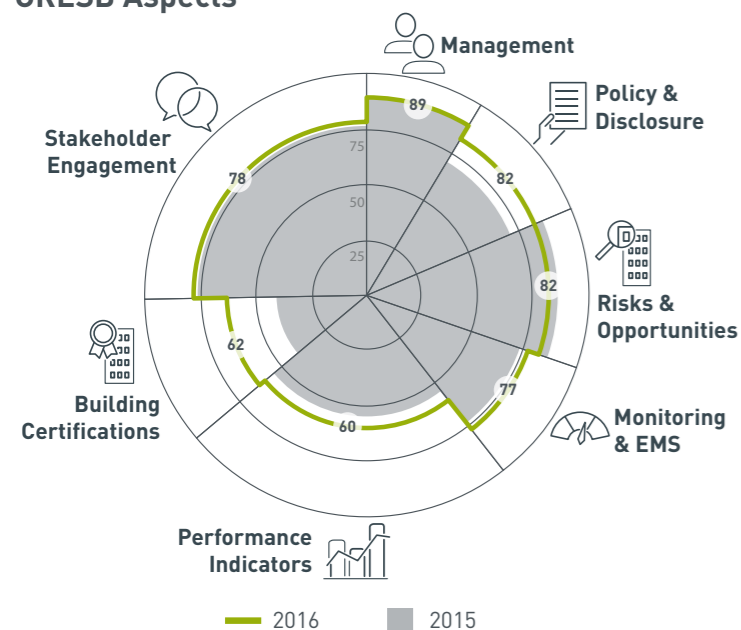


Health & Well-being

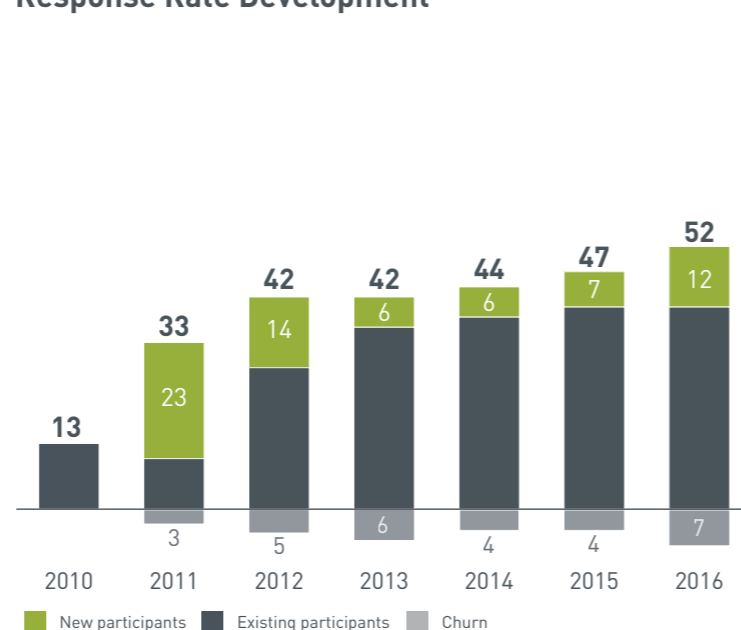
New data for Australia/NZ property companies and funds show significant variation in health and well-being practices. Many companies are working to promote the health of their employees. A smaller fraction of participants complement these internal efforts with strategies to actively promote the health of customers through their products and services.



GRESB Aspects



Response Rate Development



Stakeholder Engagement

GRESB includes 11 indicators addressing the engagement of property companies and funds with employees, tenants, supply chain, and community. Each circle represents a point available for these 11 indicators.



GRESB Industry Partners

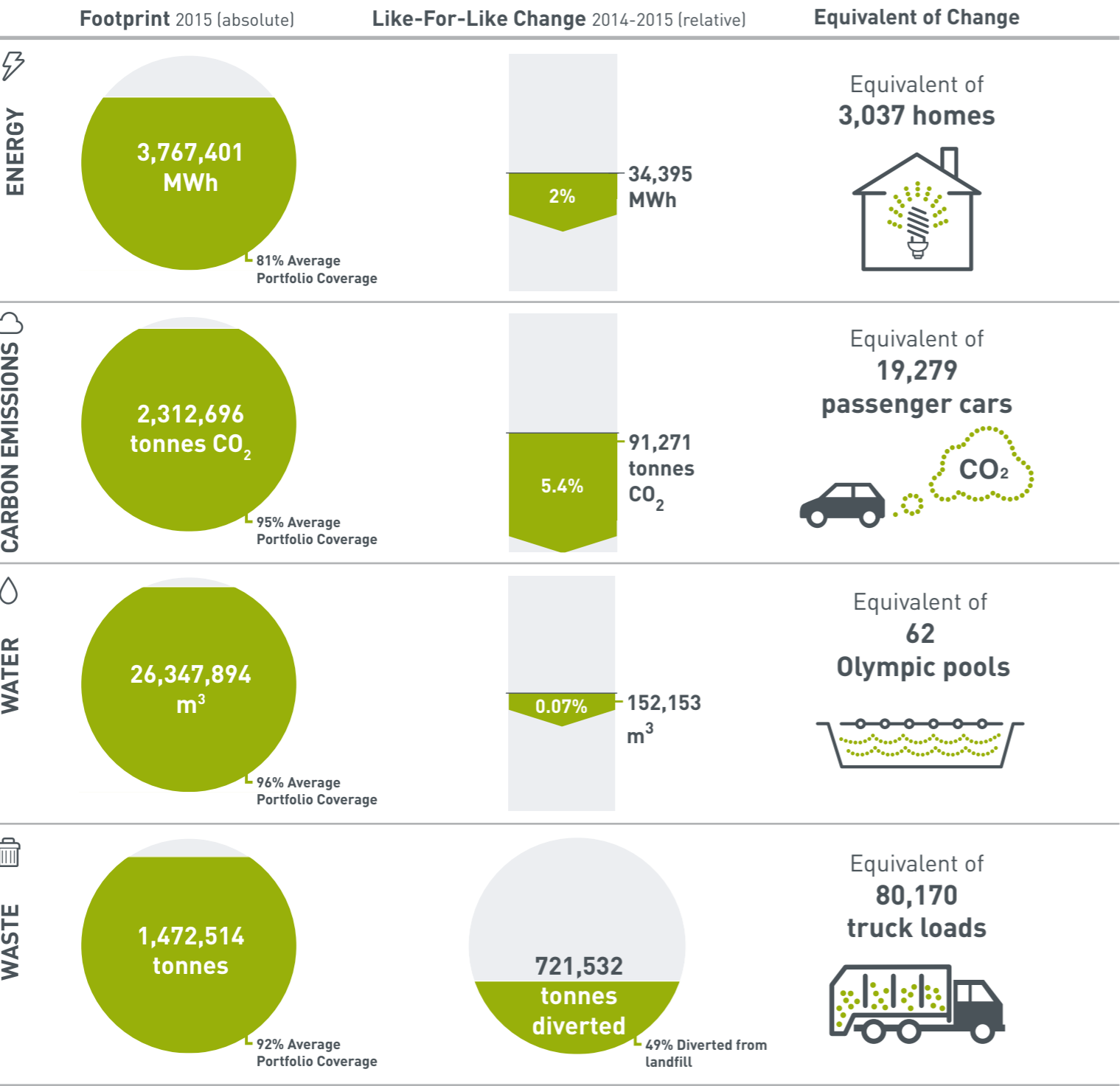
Investors increasingly understand that sustainability is intimately connected with risk, reward and reputation – which is why they are demanding reliable, standardised data to assess the sustainability of their assets. Green building certification programs are now institutionalised in mature real estate markets, and Australia has more than 1,320 Green Star-rated buildings. GRESB can help investors understand important non-financial metrics that are influencing the value of buildings across global markets.

Romilly Madew, Chief Executive Officer, Green Building Council of Australia

Many players, such as policy makers and investors, want to encourage and reward sustainability in the market. To do so, they need reliable sustainability metrics on which to judge businesses and make decisions. Through high quality benchmarking tools like NABERS and Green Star, the Australian property sector has long had such metrics, and the market has consistently rewarded high performance. By providing these metrics to an audience of global institutional investors, the GRESB Assessment maximized their potential as a catalyst for change.

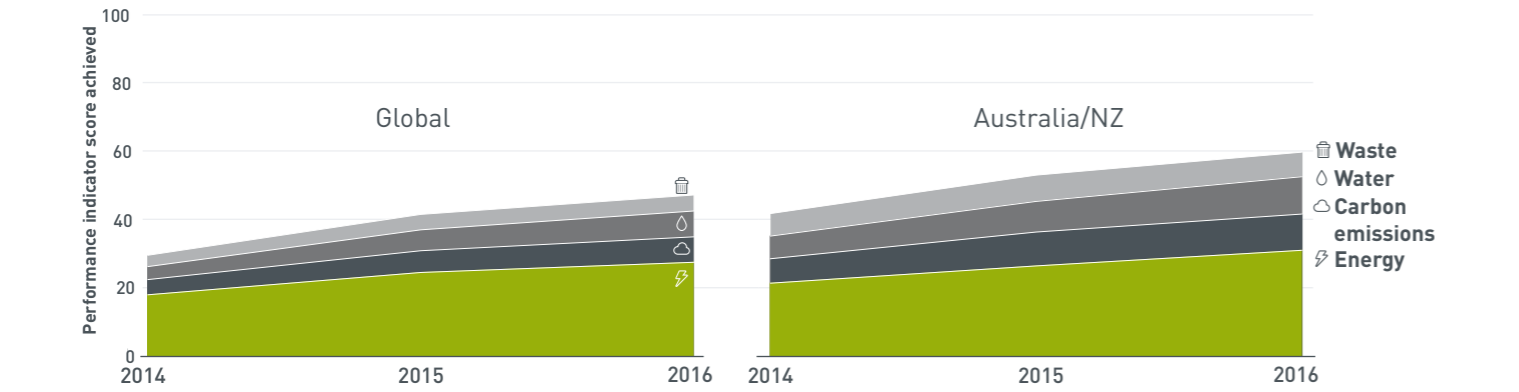
Carlos Flores, National Program Manager, NABERS

Performance Indicators



GRESB defines “like-for-like” as the fraction of a portfolio continuously owned by an entity for at least 24 months. Like-for-like measurements represent a relatively stable sub-set of a portfolio, and they may better reflect management action to improve performance. GRESB like-for-like metrics do not directly account for variation in weather, occupancy, and other factors.

Performance Indicator Score Development



The GRESB Performance Indicator Score is the weighted combination of data coverage, like-for-like change, intensity, third-party review and related factors for energy (55.6%), GHG (15.9%), water (15.9%), and waste (12.7%).

Sector Leaders - Australia/NZ

Property type	Entity name
Retail	Lendlease Sub-Regional Retail Fund - Lendlease
Office - Listed	DEXUS Office Trust
Office - Private	Australian Prime Property Fund Commercial - Lendlease
Diversified - Retail/Office	Stockland 🌐

🌐 Global Sector Leader

2016 GRESB Participants - Australia/NZ

- Listed**

 - Cromwell Property Group
 - Cromwell Property Group (Core)
 - DEXUS Office Trust ♡
 - DEXUS Property Group 🌐♡
 - GPT Metro Office Fund ♡
 - Growthpoint Properties Australia
 - Investa Office Fund (IOF) 🌐
 - Mirvac 🌐♡
 - Scentre Group
 - Shopping Centres Australasia Property Group RE Limited
 - Stockland 🌐♡
 - The GPT Group 🌐♡
 - Vicinity Centres 🌐
- Private**

 - AMP Capital Investors 🌐
 - Brookfield Office Properties Australia Pty Ltd
 - Cbus Property ♡
 - Charter Hall 🌐
 - CorVal
 - DEXUS Property Group 🌐♡
 - Eureka Funds Management
 - Fife Capital Management Pty Limited
 - Fortius Funds Management
 - Frasers Property Australia 🌐♡
 - Goodman Group 🌐
 - Investa 🌐
 - ISPT 🌐♡
 - LaSalle Investment Management
 - Lendlease 🌐♡
 - Local Government Super 🌐
 - Logos Investment Management Pty Ltd
 - QIC Global Real Estate 🌐
 - Scape Australia
 - The GPT Group 🌐♡
 - Vicinity Centres 🌐
 - Growthpoint Properties ♡
 - Hyprop Investments Limited ♡
 - Redefine Properties Limited ♡

🌐 5-year participant ♡ Health & Well-being Module completed

GRESB Global Partners



Premier Partners - Australia/NZ



Partners - Australia/NZ



\$7.6 trillion

Institutional capital represented by GRESB's 58 Investor Members

About GRESB
GRESB is an industry-driven organization committed to assessing the environmental, social, and governance (ESG) performance of real assets globally, including real estate portfolios (public, private and direct), real estate debt portfolios, and infrastructure. More than 200 members, including 58 pension funds and their fiduciaries, use GRESB data in their investment management and engagement process, with a clear goal to optimize the risk/return profile of their investments. For more information, visit www.gresb.com.