



An Australian Government Initiative

DEXUS PROPERTY GROUP
NCOS CARBON NEUTRAL PROGRAM
PUBLIC DISCLOSURE SUMMARY FY12



1. ORGANISATION AND PRODUCT INFORMATION

Organisation name:	DEXUS Property Group
Disclosure period:	From: 1 July 2011 to 30 June 2012
Date of most recent verification:	19 January 2012 (verification was for FY11, baseline year)
Carbon Neutral Disclosure type:	Part of an organisation - DEXUS Head Office only - Levels 7 - 10, 343 George Street, Sydney NSW 2000

2. ORGANISATION

DEXUS Property Group is one of Australia's leading property groups specialising in owning, managing and developing world-class office, industrial and retail properties with total properties under management of more than A\$13 billion primarily in Australia and the US. In Australia DEXUS is a market leader in office and industrial properties and a leading manager and developer of shopping centres.

We offer our tenants and investors access to a world-class property portfolio managed by our expert team of property and funds management professionals.

The Group has two areas of operation:

- Our A\$6.9 billion direct property portfolio - one of the largest listed Australian REITs (ASX:DXS) - where we own, manage and develop high quality office and industrial properties primarily in Australia and the US
- Our A\$6.3 billion third party investment management business which develops and manages Australian office, industrial and retail properties on behalf of third party investors. This includes the DEXUS Wholesale Property Fund and private client mandates, which collectively make up one of the largest third party investment management businesses in Australia

Our commitment to corporate responsibility and sustainability (CR&S) is a long term strategy. For 15 years, we have implemented programs which promote best practice corporate responsibility and sustainability and which are designed to meet the needs of our key stakeholders - our investors, tenants, suppliers, people, community and the environment.

We aim to maximise resource efficiency and minimise the overall environmental impact of our operations. We apply this approach both in the development of new properties and in the management and refurbishment of existing properties.

Our commitment to sustainable performance has been recognised through our inclusion in a number of global benchmarks, including:

- Dow Jones Sustainability Index (World and Asia Pacific Indices)
- FTSE4Good Index
- Carbon Disclosure Project
- Global Real Estate Sustainability Benchmark

DEXUS is a founding member of the City of Sydney's Better Buildings Partnership, a member of the Investor Group on Climate Change and a signatory to the United Nations Principles of Responsible Investment (UNPRI).

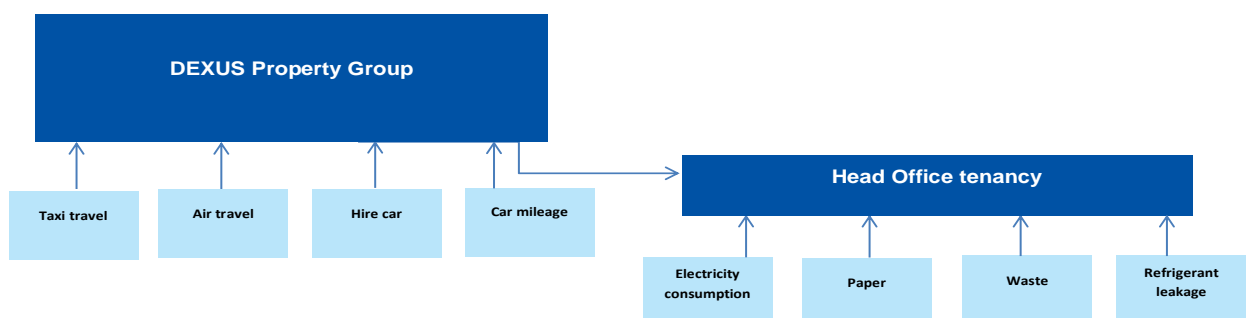
REPORTING BOUNDARIES

The boundary for reported Scope 1 and 2 emissions is based on the definition of our Head Office facility under the NGER legislation. DEXUS has calculated Scope 1 and 2 greenhouse emissions attributable only to our organisation's Head Office facility located at Levels 7 - 10, 343 George St, Sydney NSW 2000.

DEXUS has also included certain other indirect (Scope 3) emissions that are impacted by the operations of our business and that are associated with our overall operations. These were determined based on the criteria listed for Scope 3 emissions in the GHG Protocol and based on the NCOS Standard.

Inclusions are:

- Scope 1 = emissions from refrigerant leakage
- Scope 2 = emissions from purchased electricity
- Scope 3 = emissions from transmission and distribution losses associated with purchased electricity, waste to landfill, reams of paper procured at DEXUS head office, airline travel for all national employees, taxi travel, hire cars and car mileage from all national employees.





EMISSIONS FACTORS

Where possible, the emission factors have been taken from National Greenhouse Accounts Factors, dated July 2011.

Where additional detail is required, DEXUS has used a number of other credible sources including 2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting: Methodology Paper for Emission Factors, October 2010; EPA Victoria Paper note, May 2011; WRAPP reporting guidelines 2011, June 2011 and ABS Survey of Motor Vehicle use, 12 months ended 31 October 2010.

CALCULATION METHODOLOGY

Activity data has been collected from key data sources including electricity invoices, reports provided by key suppliers (such as travel providers) and internally generated consumption reports (such as expenses claimed).

TOTAL GHG EMISSIONS

Total GHG emissions comprise Scope 1, Scope 2 and Scope 3 GHG emissions from DEXUS's head office within the reporting boundary for Australia. GHG emissions are measured in carbon dioxide equivalents and expressed in tonnes (tCO₂-e).

'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 Australian Government's *National Greenhouse and Energy Reporting Act 2007* (NGERA).

EMISSIONS CALCULATIONS

Emission source	Scope Assessed (1,2 and/or 3)	Tonnes CO ₂ -e
Refrigerant leakage	1	2
Refrigerant leakage (base building)	3	12
Purchased Electricity - Tenancy (gross)	2	332
Purchase Electricity (Tenancy)- Transmission and Distribution losses	3	63
Purchased Electricity - Base Building (gross)	2	430
Purchase Electricity (Base Building)- Transmission and Distribution losses	3	82
Transport Fuel - Air Travel	3	1,295
Transport Fuel - Taxi	3	28
Transport Fuel - Car Mileage	3	2
Transport Fuel - Hire Car	3	48
Paper	3	6
Waste	3	4
GreenPower™ (20%)		-66
Total (Net) Emissions		2,239

*Note: Variation of +1 tonne in total net emissions calculation due to rounding

GreenPower™	Purchase
GreenPower™	20% of tenancy electricity

3. PURCHASE OF GREENPOWER™ OR NCOS CARBON NEUTRAL PRODUCTS AND/OR CANCELLATION OF GREENPOWER™ ELIGIBLE RENEWABLE ENERGY CERTIFICATES (RECS)

GreenPower: 74.65 MWh (66 tonnes CO₂-e)

4. TOTAL CARBON FOOTPRINT

Carbon Footprint 2,305 tonnes CO₂-e

5. EMISSION REDUCTION MEASURES

DEXUS's commitment to corporate responsibility and sustainability (CR&S) is a long term strategy. We are committed to continuous improvement under our ISO 14001 Environmental Management System which includes reducing resource consumption and the impact of climate change across our entire portfolio beginning with our Head Office, Levels 7-10, 343 George St, Sydney NSW 2000.

This is our second reporting year under the NCOS Carbon Neutral Program, and we have been able to demonstrate improvements in reducing carbon emissions as part of our ongoing resource monitoring, management and reporting framework.

Our first reporting year under NCOS, FY11, which is also our base year, enabled us to benchmark our emissions and communicate our current footprint across the organisation. Our baseline also enabled us to set targets for FY12 and FY13 to reduce resource consumption, waste to landfill, set policies for greener procurement, improve our systems and processes and drive behaviour change.

Our emissions reduction strategy takes the form of a 'Tenancy Sustainability Plan' specifically for our Head Office at Levels 7-10, 343 George St, Sydney NSW 2000. The plan outlines our key strategies, objectives and targets for a more sustainable office and is focused on six key areas which include liveability, information technology, office consumables and recycled content procurement, office energy consumption, recycling and waste and internal processes.

DEXUS has a charter to ensure year on year improvements both in energy and carbon reduction and cost savings for our tenancy. As there are utility meters on each floor only, we use energy modelling to estimate savings achieved through various initiatives.

A highlight for FY12 saw energy consumption from DEXUS's Head Office reduce 17% on our base year, exceeding our 5% reduction target for the period. DEXUS also achieved a tenancy NABERS Energy rating improvement of 0.5 stars taking our rating to 4.5 stars, 4.0 stars without GreenPower.

Emission Management and Reduction Measures	Emissions Reduction in Reporting Period (Tonnes CO ₂ -e)
<p>IT upgrades DEXUS has implemented the following initiatives:</p> <ul style="list-style-type: none"> ▪ Decommissioned and virtualised servers in the level 8 communications room. Reducing the servers reduced the power and cooling requirements of the space. In FY12 we virtualised eight servers/storage units with estimated energy and air conditioning savings of 84 kWh per day ▪ Rollout of remote access software to reduce the number of PCs left on for afterhours access. We have implemented forced standby for 12 hours per day with estimated savings of 0.07kWh average consumption per PC x 12 hours of standby x 120 PCs = 100kWh saved per day ▪ Swipe card printing was implemented for all departments, and subsequent monitoring of individual and team printing statistics in place to reduce printing <p>Ongoing projects in progress include:</p> <p>Implementation of Windows 7 on a staggered rollout (still ongoing in FY13). Windows 7 should be able to demonstrate energy savings surpassing those capable of XP generating an estimated savings of 10% for each PC.</p> <p>We now have over 85% of tenancy PCs (181 PCs) on Windows 7. The estimated savings are 181 PCs x 0.007 kWh savings x 10 hours (working time) = 12kWh per day</p>	<p>65.5 tonnes (93%)</p>

<p>Lighting savings and facilities management</p> <p>As part of our annual NABERS tenancy rating conducted in March 2011 and March 2012 we commissioned a report to identify areas for efficiencies.</p> <p>The report identified the following opportunities that were implemented within the reporting period:</p> <ul style="list-style-type: none"> ▪ Reprogramming of lighting within each zone to more effectively reflect employee behaviour and working hours ▪ Identification of a number of base building loads running from the tenant boards to be rectified FY12 <p>Tenancy NABERS Energy Rating</p> <p>Our tenancy NABERS Energy rating was 3.5 stars without GreenPower and 4.0 with GreenPower in 2011.</p> <p>Our rating in FY12 improved by 0.5 stars to achieve 4.0 stars without GreenPower</p>	4.9 tonnes (7%)
<p>FY 13 Target Reduce carbon emissions from energy consumption by a further 5% on FY12 levels, achieving a 22% reduction by June 2013 on base year</p>	Savings to be realised in FY 13
<p>FY 13 Target Implement new strategy and revised operational procedures to minimise travel by June 2013</p>	Savings to be realised in FY 13
<p>FY 13 Target Gradual move to thin client technology (IT) for task based users by June 2013</p>	Savings to be realised in FY 13
<p>FY 13 Target Further increase DEXUS head office tenancy NABERS Energy rating by a minimum of 0.5 stars by March 2013</p>	Savings to be realised in FY 13
Total Scope 2 emissions reduction in FY12	17% total reduction = 70.4 tonnes CO ₂ -e

6. OFFSET PURCHASE / CANCELLATION

Offsets are sourced from accredited providers and will be purchased for the previous year at the close of every financial year.

Offset Type	Registry	Serial Numbers	Offset Quantity (Tonnes CO ₂ -e)
VCU(CO ₂ e)	Markit Environmental Registry: ID: 1000000000000384	1840-76155733-76156732-VCU-010-MER-CN-1-438-01042006-31122006-1	1000
VCU(CO ₂ e)	Markit Environmental Registry: ID: 1000000000000144	1785-74156208-74156507-VCU-018-MER-TH-13-82-01012010-31082010-0	300
VCU(CO ₂ e)	Markit Environmental Registry: ID: 10000000000000828	1738-71774955-71775954-VCU-015-MER-IN-1-704-01012008-31122008-0	1000
Total			2300

7. OTHER INFORMATION

Further information on DEXUS's commitments to CR&S can be found in our Annual Review 2011 (<http://dexus-arev11.reportonline.com.au>) and linked online Performance Pack (<http://dexus-arev11.reportonline.com.au/2011-performance-pack>). DEXUS will make available the 2012 Annual Review and linked Performance Pack in September 2012 which can be found at www.dexus.com.

Other relevant reports are listed below:

- CDP responses on DEXUS website at <http://crs.dexus.com/library>
- NABERS website for DEXUS Tenancy NABERS rating certificate; www.nabers.com.au
- EEO progress and reporting at <http://crs.dexus.com/library/>