



PUBLIC DISCLOSURE STATEMENT

IFM INVESTORS PTY LTD

ORGANISATION CERTIFICATION

FY2021–22

Australian Government
**Climate Active
Public Disclosure Statement**



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	IFM Investors Pty Ltd
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 Arrears report
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p> 
	Name of signatory- Rena Pulido Position of signatory- Head of Sustainable Investment Australia Date 25/5/23



Australian Government
**Department of Climate Change, Energy,
the Environment and Water**

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Version March 2022.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	11,272 tCO ₂ -e
OFFSETS BOUGHT	50% ACCUs, 10% GS CERs, 20% VCS-SCs, 20% VCSs
RENEWABLE ELECTRICITY	18.59%
TECHNICAL ASSESSMENT	13 October 2022 Michelle Wilson Point Advisory Next technical assessment due: October 2025
THIRD PARTY VALIDATION	Type 1 25 October 2022 Tim Pittaway RSM Australia

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2. CARBON NEUTRAL INFORMATION

Description of certification

The inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022 and represents the base year for IFM Investor's international operations and covers the business operations owned and controlled by IFM Investors Pty Ltd (ABN 67 107 247 727) in Australia, United Kingdom, United States, Hong Kong, Germany, Switzerland, South Korea, Japan and the Netherlands.

Organisation description

IFM Investors was established more than 25 years ago to protect and grow the long-term retirement savings of working people. Today IFM invest on behalf of 626 like-minded institutions worldwide, including pension, superannuation and sovereign wealth funds, universities, insurers, endowment funds and foundations. The A\$199bn (as of 30 June 2022) entrusted to us by these investors incorporates the retirement savings of more than 120 million working people worldwide.

IFM operates from ten office locations globally.

The certification boundary applied for greenhouse gas (GHG) emissions reporting under Climate Active comprises IFM Investors Pty Ltd (ABN 67 107 247 727) operational activities. This certification extends to operations in Australia, United Kingdom, United States, Hong Kong, Germany, Switzerland, South Korea, Japan and the Netherlands, over which IFM Investors has operational control. The table below provides a summary of the entities within the certification boundary and countries in which their offices are located.

The certification boundary excludes all IFM's financed emissions (which are being managed via a separate process), and activity under subsidiaries of IFM Investors' investment related funds which are not associated to any operational emissions activity such as offices or employees.

The following subsidiaries are included within this certification.

Legal entity name	Country of operation
IFM Investors (HK) Ltd	Hong Kong
IFM Investors (Japan) Pty Ltd	Japan
IFM Investors (Korea) Pty Ltd	South Korea
IFM Investors (Netherlands) B.V.	Netherlands
IFM Investors (Switzerland) GmbH	Switzerland
IFM Investors (UK) Ltd	United Kingdom, Germany
IFM Investors (US), LLC	United States

“Protecting investment outcomes over the long term involves taking on systemic issues, such as climate change, and managing them in ways that nurture the health of the fundamental environmental, social and economic systems we operate in”

Serena de Krester
Climate Change Strategy
Director, IFM Investors

3. EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary		Outside emission boundary
<p><u>Quantified</u></p> <ul style="list-style-type: none"> Electricity Base building services Professional services ICT services and equipment (CAPEX and OPEX) Office equipment and supplies Cleaning and chemicals Postage, courier & freight Food and catering Construction materials and services (CAPEX) Transport (air) Transport (land & sea) Accommodation Water Waste Employee commuting Working from home 	<p><u>Non-quantified</u></p> <ul style="list-style-type: none"> N/A 	<p><u>Excluded</u></p> <ul style="list-style-type: none"> Refrigerants Investments

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In October 2020, IFM established an organisation-wide commitment to achieve net zero greenhouse gas emissions by 2050. This target encompasses emissions associated with both IFM's operational emissions as well as emissions associated with investment portfolios.

IFM are currently developing a targeted approach to emissions reduction for each asset class (investment emissions), using three primary levers of action:

- assessing emissions and risk exposure in due diligence;
- measuring emissions and implementing initiatives and strategies aimed at reducing emissions; and
- engaging and building capacity across both unlisted and listed portfolios.

IFM's operational emissions represent Scope 1, 2 and 3 emissions reported under Climate Active, which occur as a result of their global operational activities. IFM commits to the following targets for its operational emissions:

- Net zero operational emissions (Scope 1, 2 and 3) by 2050 (existing net zero commitment).
- IFM will transition to 100% renewable energy and eliminate all scope 2 emissions by 2025 (science-based aligned target) through the procurement of 100% renewable electricity for all offices. Note: IFM does not have any scope 1 emissions.
- IFM will set an interim target to procure 100% renewable energy for all Australian offices by mid 2023.
- IFM commit to setting near-term, science-based aligned, Scope 3 targets in 2024.

IFM's Scope 3 emissions represent 97% of IFM's operational emissions. These have been calculated using environmentally extended input output (EEIO) factors and industry assumptions. Further work is required to refine IFM's understanding of these emission sources in order to inform robust and realistic emission reduction targets.

Emissions reduction actions

IFM will progress the following actions, with a commitment to set targets and implement additional emission reduction activities in our FY23 public disclosure statement.

Emissions Cat	Action	Type of Action	Timeframe
Scope 2 + 3 - Purchased electricity	Transition all Australian offices to purchasing 100% green electricity by mid 2023.	Direct emission reduction	12 months
Scope 3 – Electricity – base building	Include base building energy efficiency ratings (such as Green Star) and procurement of renewables in the selection criteria for future office tenancies.	Direct emissions reduction	24 months
Scope 3 - Purchased goods & services	Engage with suppliers to source supplier specific emissions data from IFM's top ten material suppliers by spend of professional services and ICT services (covering 70% of FY22 emissions). Require identified suppliers to report carbon levels annually.	Data improvement	12 months
	Engage with material suppliers of professional services and ICT services (covering at least 50% by spend) to encourage and assess their net-zero ambitions and/or emissions reduction targets and strategies.	Supporting action	24 months
	Revise IFM's procurement policy to request supplier emissions reporting and ensure consideration of emissions reduction targets (science-based aligned or validated) as part of the supplier selection criteria.	Direct emission reduction	12 months
	Set near-term, science-based aligned, Scope 3 targets in 2024.	Direct emissions reduction	24 months
Scope 3 - Waste	Engage with waste contractors and/or building managers across all IFM offices to source office specific waste data (total volume and end-of-life treatment method) to assess waste management practices in each office and seek to implement waste management initiatives.	Data improvement	12 months
	Set waste reduction targets (percentage reduction per FTE) once office specific waste data is available.	Supporting action	12 months

Scope 3 - Employee Commute	Undertake an employee commuting survey to refine IFM's assumptions around the distance and mode of transport to work by employees.	Data improvement	12 months
	Encourage staff to undertake more active modes of transport by ensuring IFM offices with more than 50 FTE have access to end-of-trip facilities. IFM will ensure this by incorporating end-of-trip facilities as a selection criterion when evaluating new office leases.	Direct emission reduction	12 months

5. EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

The following Climate Active certified products and services were procured by IFM Investors during this reporting period.

Certified brand name	Product or Service used
ISPT Pty Ltd	Carbon neutral energy (base building)
PwC Australia	Professional services

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of Scope 1 (tCO ₂ -e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	-	-	50.90	50.90
Cleaning and Chemicals	-	-	23.86	23.86
Climate Active Carbon Neutral Products and Services	-	-	-	-
Construction Materials and Services	-	-	98.69	98.69
Electricity	-	203.73	0.00	203.73
Food	-	-	239.76	239.76
ICT services and equipment	-	-	4806.72	4806.72
Office equipment & supplies	-	-	115.54	115.54
Postage, courier and freight	-	-	26.53	26.53
Professional Services	-	-	2906.77	2906.77
Transport (Air)	-	-	2000.92	2000.92
Transport (Land and Sea)	-	-	167.11	167.11
Waste	-	-	18.12	18.12
Water	-	-	4.03	4.03
Working from home	-	-	305.75	305.75
Bespoke - Electricity International	-	94.39	5.96	100.35
Bespoke - Stationary Energy (gaseous fuels) - Base building	-	-	22.76	22.76
Bespoke - Stationary Energy (liquid fuels) - Base building	-	-	3.12	3.12
Bespoke - Electricity - Base building	-	-	108.42	108.42
Bespoke - Supplier specific emissions	-	-	25.00	25.00
Bespoke - Working from home	-	-	44.15	44.15
Total	-	298.13	10,974.10	11,272.23

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

In arrears	
1. Total emissions footprint to offset for this report	11,272 tCO ₂ -e
2. Total eligible offsets purchased and retired for this report	11,280 tCO ₂ -e
3. Total eligible offsets banked to use toward next year's report	8 tCO ₂ -e

Co-benefits

IFM Investors elected to retire majority of its FY22 carbon offsets from a **Mt Mulgrave savanna burning project** in North Queensland, Australia. Wildfires are both driven by and contribute towards climate change, this damaging cycle can be managed through strategic planned burning of savanna areas. Not only does this project reduce global GHG emissions but equally preserves Northern Australia's unique landscape and protects the country's endemic wildlife.

In addition to local Australian projects, IFM have also purchased and retired carbon offsets from the following international projects.

Safe drinking water project in rural Cambodia

The water kiosk project supports a number of small-scale water treatment facilities in rural Cambodia. This program helps to reduce water-borne diseases and support local entrepreneurs in running a sustainable business model. The supply of affordable, clean drinking water also reduces the need to boil water through burning fuel or firewood which contributes directly to GHG emissions and deforestation.

Agrocortex REDD+ South Amazon Forest protection

Along the border of Amazonas state and Acre state in Brazil in the agricultural expansion frontier region, the project encompasses a single property, Fazenda Seringal Novo Macapá. The area forms a buffer, blocking encroaching deforestation and bolstering general conservation efforts in Brazil. Under a certified sustainable forest management plan (SFMP), this REDD+ project contributes to conservation and forest carbon stock maintenance, ensuring sustainable timber harvests, increasing surveillance, and reducing social and environmental impacts in the project area.

Dempsey Ridge Wind project Oklahoma, United States

The Dempsey Ridge project is a zero emissions, grid-connected, electricity generation sourced from wind energy with each turbine having a capacity of 2 MW. The facility delivers power into the Southwest Power Pool (SPP) Regional Transmission Organization (RTO). The electricity generated by the project displaces electricity generated from existing fossil fuel plants in the Southwest region.

Eligible offsets retirement summary

Offsets cancelled for Climate Active Carbon Neutral Certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Mt Mulgrave Savanna Burning by	ACCU	ANREU	22 Nov 2022	8,347,886,693 – 8,347,892,332	2021	-	5,640	0	0	5,640	50%
Water Kiosks in Cambodia	CER	Swiss	29 Nov 2022	7872099-7873226	CP2	-	1,128	0	0	1,128	10%
Agrocortex South Amazon Forest protection	VCU	Verra	28 Nov 2022	9342-81641319-81643574-VCS-VCU-262-VER-BR-14-1686-01012018-31122018-1	2018	-	2,256	0	0	2,256	20%
Dempsey Ridge Wind	VCU	Verra	28 Nov 2022	10840-251077541-251079796-VCS-VCU-1590-VER-US-1-780-01012020-31122020-0	2020	-	2,256	0	8	2,248	20%
Total offsets retired this report and used in this report										11,272	
Total offsets retired this report and banked for future reports									8		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Australian Carbon Credit Units (ACCUs)	5,640	50%
Certified Emissions Reductions (CERs)	1,128	10%
Verified Carbon Units (VCUs)	2,512	40%



Australian National Registry of Emissions Units

Logged in as: Saehaneul Moon / Industry User

ANREU Home

Account Holders

Accounts

Unit Position Summary

Projects

Transaction Log

CER Notifications

Public Reports

My Profile

Transaction Details

Transaction details appear below.

Transaction ID	AU25001
Current Status	Completed (4)
Status Date	2022-11-22 16:22:33 AEDT 2022-11-22 05:22:33 GMT
Transaction Type	Cancellation (4)
Transaction Initiator	Moon, Saehaneul
Transaction Approver	Zhou, Tom Yi Shang
Comment	Retired on behalf of IFM Investors for their Climate Active certification FY22

Transferring Account

Account Number: AU-2977

Account Name: South Pole Australia Financial Services Pty Ltd

Account Holder: South Pole Australia Financial Services Pty Ltd

Acquiring Account

Account Number: AU-1068

Account Name: Australia Voluntary Cancellation Account

Account Holder: Commonwealth of Australia

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF102090					2022-23		8,347,886,693 - 8,347,892,332	5,640

Status Date	Status Code
2022-11-22 16:22:33 AEDT 2022-11-22 05:22:33 GMT	Completed (4)
2022-11-22 16:22:33 AEDT 2022-11-22 05:22:33 GMT	Proposed (1)
2022-11-22 16:22:33 AEDT 2022-11-22 05:22:33 GMT	Account Holder Approved (97)
2022-11-22 11:45:39 AEDT 2022-11-22 06:45:39 GMT	Awaiting Account Holder Approval (95)

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Transaction notification CH-43814

Source account CH-100-830-0
830 - Swiss Carbon Assets

Destination account CH-230-656-2
Voluntary Cancellation Account CP2

Amount 1,128 (5-0-CER)

Transaction status 4-Completed

Transaction date 29.11.2022, 09:38:14

Transaction type 04-00-Voluntary cancellation

Notification No 1000000011802

Comment Retired on behalf of IFM Investors for their Climate Active certification FY22

Transaction history

Transaction status	Transaction date
Proposed	29.11.2022, 09:38:11
Checked (No Discrepancy)	29.11.2022, 09:38:14
Completed	29.11.2022, 09:38:14

Transferred Units

Country	Unit Type	Start block	End block	Applicable CP	Installation	Year	LULUCF	Project No	Track	Expiry date	Amount
KH	5-0-CER	7872099	7873226	2				5062	2		1,128

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach.

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kgCO ₂ e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	46,759	0	19%
Residual Electricity	204,771	203,739	0%
Total grid electricity	251,530	203,739	19%
Total Electricity Consumed (grid + non grid)	251,530	203,739	19%
Electricity renewables	46,759	0	
Residual Electricity	204,771	203,739	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)	0	203,739	
Total renewables (grid and non-grid)	18.59%		
Mandatory	18.59%		
Voluntary	0.00%		
Behind the meter	0.00%		
Residual Electricity Emission Footprint (TCO₂e)	204		

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	0	0	0
NSW	84,338	65,783	5,904
SA	0	0	0
Vic	167,187	152,140	16,719
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	251,524	217,923	22,622
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	251,524	217,923	22,622
Emission Footprint (TCO2e)	241		
<i>Scope 2 Emissions (TCO2e)</i>	218		
<i>Scope 3 Emissions (TCO2e)</i>	23		

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
<i>ISPT PTY LTD (carbon neutral base building electricity – NSW office)</i>	394,769	0
<i>ISPT PTY LTD (carbon neutral base building electricity – VIC office)</i>		

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
N/A	N/A	N/A	N/A	N/A

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

The following emission sources have been excluded as they have been assessed as not relevant according to the relevance test (refer to the table below for justification):

- Refrigerants
- Investments

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Refrigerants	No	No	No	No	No	No
Investments	Yes	No	No	No	No	No



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