



PUBLIC DISCLOSURE STATEMENT

DEXUS INDUSTRIA REIT

**ORGANISATION CERTIFICATION
FY2021-22**

Australian Government


Climate Active Public Disclosure Statement

Dexus Industria REIT | **dexus**



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Dexus Industria REIT
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 Arrears report
DECLARATION	<p>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.</p>  <p>Rob Sims – General Manager, Sustainability</p>



Australian Government
**Department of Industry, Science,
Energy and Resources**

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Version March 2022. To be used for FY20/21/CY2021 reporting onwards.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	603 tCO ₂ -e
OFFSETS BOUGHT	100% VCU's
RENEWABLE ELECTRICITY	2,778 MWh (101.88% of electricity use) comprising: <ul style="list-style-type: none"> - Behind the meter solar PV: 305 MWh - GreenPower purchased: 59 MWh - LGC voluntary surrender: 1.963 MWh - LGC via RET: 451 MWh
TECHNICAL ASSESSMENT	Mylene Turban 13/10/2022 Pangolin Associates Next technical assessment due: FY2025
THIRD PARTY VALIDATION	Type 2 December 2022 Caroline Mara PricewaterhouseCoopers

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2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022 and covers the Australian business operations of Dexus Industria REIT (Registered Business Name under Dexus Holdings PTY Limited ABN 48 110 366 946). It covers corporate emissions associated with the fund, and the emissions associated with the Fund's investment property portfolio. The emissions from Dexus Industria REIT are also reported in the parent [Dexus Holding's organisation certification](#), due to their overlapping organisational boundaries.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O). These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs). No synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) or Nitrogen Trifluoride (NF₃) were detected within the operational boundary.

For corporate emissions, a Funds Under Management share, or FUM-share approach has been used to calculate the corporate GHG emissions of Dexus Industria REIT from Dexus Holding's total GHG emissions.

Organisation description

Dexus Industria REIT (formerly APN Industria REIT) is a listed Australian Real Estate Investment Trust (ASX code: DXI) with a \$1.7 billion portfolio, primarily comprised of a portfolio of established, high quality industrial and business park properties located across Sydney, Melbourne, Brisbane, Perth and Adelaide. Dexus Asset Management Limited (ABN 60 080 674 479, AFSL No. 237500) is the responsible entity and manager of the trusts within Dexus Industria REIT from August 2021.

As Dexus Industria REIT does not have any direct employees, Dexus employs several staff to operate and manage Dexus Industria REIT.

“Climate Active certification signals to our staff and our investors that we committed to sustainable operations, and we’re doing what we can to reduce our impacts.”

Dexus Industria REIT's carbon neutral claims encompass all business operations described in the emissions boundary, including:

- Dexus Industria REIT's share of the head office emissions located in Melbourne, Victoria, and
- Emissions across Dexus Industria REIT's property portfolio, where Dexus is the facility manager and is deemed to have operational control over the emissions generating activities.

3.EMISSIONS BOUNDARY

The reporting boundary for Dexis Industria REIT's business operations has been developed in accordance with the Climate Active Organisation Standard.

Inside the emissions boundary

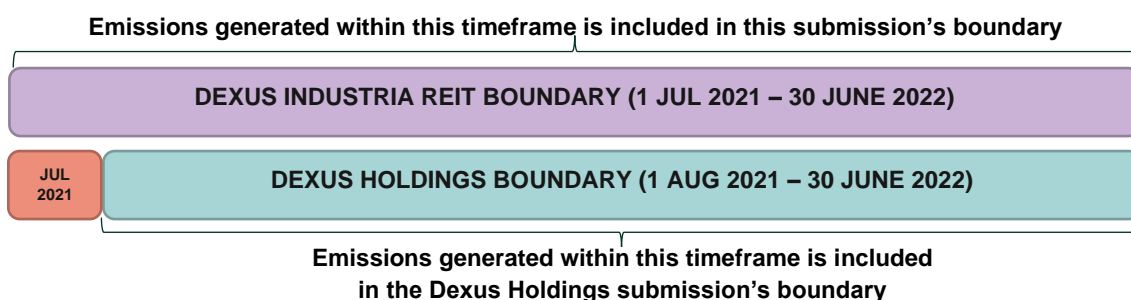
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

For corporate emissions, a Funds Under Management share, or FUM-share approach has been used to calculate the corporate GHG emissions of Dexis Industria REIT from Dexis Holding's total GHG emissions.

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. This also includes assets Dexu Industria REIT manages on behalf of a co-owner. Dexu Industria REIT reports its emissions based on the NGERS Operational Control boundary – if there were co-owned assets where Dexu Industria REIT is the property manager it is responsible for reporting on its emissions, including the retirement and documentation of all LGCs and offsets.

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.

The quantities within the boundary of this submission differs from the DXI boundary in the Dexu Holdings submission, as the DXI portion of the Dexu Holdings' submission covers emissions from August 2021 onwards, which is from when Dexu has had operational control over DXI's entities:

[illegible]

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 in Appendix D.

Inside emissions boundary

Quantified

Corporate operations

Base Building Services

Business Accommodation*

Business Flights*

Electricity

Employee Commute*

Food and Beverages*

Transport Fuels*

Taxi*

Parking*

Technical Services*

Bus Shuttle*

ICT services and equipment*

Office equipment & supplies*

Paper*

Courier*

Refrigerants

Waste

Water

Working from Home*

Managed Assets operations, including assets managed on behalf of a co-owner (see pages 6 and 7)

Electricity

Natural Gas

Water

Waste

Diesel (stationary)

Refrigerants

Non-quantified

Cleaning Services

Office furniture

Optionally included

N/A

Outside emission boundary

Excluded

Property developments (building embodied energy & emissions)

Maintenance and repairs, capital expenditure and fit outs

Tenant operations – electricity

Professional services

*Those activities are reported under “Corporate Activities” in the emissions summary table.

Data management plan for non-quantified sources

Cleaning emissions are non-quantified as they have been assessed as immaterial. Office furniture has not been quantified as it is assessed as immaterial for Dexu's corporate operations, and sits outside the operational boundary for managed property assets.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

As part of the Dexus Group, Dexus Industria REIT's emissions reduction strategy is aligned to the Enriched Environment objective within Dexus's Sustainability Approach.

In FY22 Dexus Industria REIT reports the following outcomes:

- Achieving carbon neutrality in 2022 across the group managed portfolio (and by extension, Dexus Industria REIT of which this Climate Active certification will seek to verify)
- Sourcing 100% of electricity from onsite and offsite renewable sources across the REIT's managed portfolio from July 2021, consistent with Dexus's RE100 commitment to source 100% of electricity from renewables by 2030

Dexus Industria REIT is committed to being a leader in the property management space when it comes to climate action via delivering an efficient and resilient portfolio that minimises its environmental footprint and is positioned to thrive in a climate-affected future. Adopting a long-term approach to emissions reduction, other targeted initiatives that have been completed in FY22 include:

- Installation of 2.5 megawatts of solar photovoltaic systems across the portfolio over the past six years
- Implementing control systems for lighting and devices to reduce energy consumption and complementing these actions through the development of behavior campaigns to educate employees about reducing energy use and waste production in the office and when working remotely
- Partnering with Shell Energy's solar photovoltaics business to expand rooftop solar across the group's industrial portfolio and support customers to increase renewable energy uptake and reduce carbon emissions
- Focused on the first phase of its decarbonisation plan through the development of a strategic procurement partnership with Jandakot Airport to combine our combined energy loads and leverage this scale to tender for a competitive new renewable electricity contract that provides Large Scale Generation (LGC) certificates linked to the Warradarge Wind Farm in Western Australia

Dexus Industria REIT utilises the well-established NABERS program to benchmark performance nationally on a scale from 1 to six stars. Continued focus on achieving emissions reduction outcomes have delivered a 5.0 star average NABERS Energy rating across the REIT's office business park portfolio as of 30 June 2022, up from 4.5 stars last year.

5.EMISSIONS SUMMARY

Emissions over time

The boundary of this certification has changed to now include in addition to corporate emissions, all managed asset operational emissions, including those managed on behalf of a co-owner. Hence, year-on-year emissions are not comparable. As a result, FY22 constitutes a new base year for the REIT under the Climate Active program.

Compared to FY2021 submission (made by APN Property Group), corporate emissions have decreased by 24% compared to FY21. This could be explained by the revised assessment boundary after the acquisition of APN Property Group by Dexs Industries REIT.

Use of Climate Active carbon neutral products and services

Dexs use Winc carbon neutral copy paper (a brand from manufacturer Opal Australian Paper).

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach. A Funds Under Management share, or FUM-share approach has been used to calculate the corporate GHG emissions of Dexs Industries REIT from Dexs Holdings' total GHG emissions.

Emission category	Sum of total emissions (tCO ₂ -e)
Electricity	0.00
Refrigerants	95.35
Stationary Energy (gaseous fuels)	118.67
Stationary Energy (liquid fuels)	6.22
Waste	321.53
Water	37.74
Corporate Activities: <i>Business Flights & Accommodation, Employee Commute and Working from Home, Food and Beverage, Taxis and Transport Fuels, Parking & Tolls, ICT Services and Equipment, Office Equipment & Supplies, Paper and Couriers</i>	23.86
Total	603.37

Uplift factors

There was no uplift factor applied.

6. CARBON OFFSETS

The details of offsets for Dexus Industria REIT are also reported in the parent [Dexus Holding's organisation certification](#).

Offsets retirement approach

In arrears	
1. Total number of eligible offsets banked from last year's report	0
2. Total emissions footprint to offset for this report (tCO ₂ -e)	604
3. Total eligible offsets required for this report	604
4. Total eligible offsets purchased and retired for this report	2,401
5. Total eligible offsets banked to use toward next year's report	1,714

Additional offsets (83 offsets) were retired for altruistic reasons.

Co-benefits

Carbon abatement projects

1.6 MW Bundled Rice Husk Based Cogeneration Plant by M/s Milkfood Limited in Patiala (Punjab) & Moradabad (U.P) Districts

Description of the project

The cogeneration project in the Indian states of Punjab and Uttar Pradesh generates clean energy, steam and electricity through two cogeneration plants via the optimised utilisation of rice husks as its renewable energy source.

Co-benefits of the project

- This project paves the way for development and increases the prevailing living standard in the community, empowering the rural population.
- Creation of opportunities during its construction phase for local business, contributing to improved economic well-being.

Jari/Amapá REDD+ Project

Description of the project

The Jari/Amapá REDD+ Project is located in the Valley of Jari in the municipalities of Laranjal do Jari and Vitória do Jari in the state of Amapá, Brazil. The main project components are forest protection and monitoring, scientific research, and social inclusion of the communities in the areas where the project operates.

Co-benefits of the project

- This project reduces deforestation via the implementation of conservation activities.
- Development of activities that favour sustainable business chains to generate additional income for local communities.

Eligible offsets retirement summary

Offsets cancelled for Climate Active Carbon Neutral Certification							Eligible quantity (tCO ₂ -e)				
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Total quantity	Used for previous reporting periods	Banked for future reporting periods	Used for this reporting period	Percentage of total (%)
Dexus Industria REIT											
1.6 MW Bundled Rice Husk Based Cogeneration Plant by M/s Milk food Limited (MFL) in Patiala (Punjab) & Moradabad (U.P) Districts	VCU	Verra	15/12/2021	10168-190816744-190818157-VCS-VCU-291-VER-IN-1-784-01012018-31122018-0	2018		1,414	263 ¹	464	687	2.7%
Jari/Pará REDD+ Project	VCU	Verra	16/12/2021	9669-116268686-116269935-VCS-VCU-262-VER-BR-14-1811-08072016-22102017-0	2016/17		1,250	0	1,250	0	0.0%
Total offsets retired this report and used in this report										687	
Total offsets retired this report and banked for future reports									1,714		

¹ 263 tonnes retired for Dexus Industria REIT properties for the period of 1 July 2021 to 31 July 2021, which is prior to Dexus management and therefore reported as retired within the previous reporting period. As this figure relates to FY22, it is included within the 950 tonnes for the current period reported within the inventory for [Dexus Industria REIT](#).

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1. Large-scale Generation certificates (LGCs)* 1,963 LGCs

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number ²	Generation year	Quantity (MWh)	Fuel source	Location
Crudine Ridge Wind Farm - Wind - NSW	LGC	REC Registry	12 Aug 2022	WD00NS18	Various - see REC Registry	2021 & 2022	1,336	Wind	NSW, Australia
Darling Downs Solar Farm - QLD	LGC	REC Registry	12 Aug 2022	SRPVQL90	Various - see REC Registry	2021	341	Solar	QLD, Australia
Sun Metals -Solar- Qld	LGC	REC Registry	12 Aug 2022	SRPVQL69	Various - see REC Registry	2021	286	Solar	QLD, Australia
Total LGCs surrendered this report and used in this report							1,963		

² Individual serial numbers are not shown here as Dexus has voluntarily surrendered LGCs from each project multiple times in relatively small volumes. The quantities shown in this table are the aggregate of all voluntarily surrendered LGCs from each project.

APPENDIX A: ADDITIONAL INFORMATION

Dexus integrates sustainability across our business through our sustainability approach. Please refer to our [2022 Annual Sustainability Report](#) for more information.

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	305,406	0	11%
Total non-grid electricity	305,406	0	11%
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	1,963,000	0	72%
GreenPower	59,274	0	2%
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)	450,079	0	17%
Residual Electricity	-51,270	-51,012	-2%
Total grid electricity	2,421,083	-51,012	89%
Total electricity consumed (grid + non grid)	2,726,489	-51,012	102%
Electricity renewables	2,777,759	0	
Residual Electricity	-51,270	-51,012	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ -e)		0	
Total renewables (grid and non-grid)	101.88%		
Mandatory	16.51%		
Voluntary	74.17%		
Behind the meter	11.20%		
Residual Electricity Emission Footprint (TCO₂e)	0		
<i>Figures may not sum due to rounding. Renewable percentage can be above 100%</i>			

Location-based approach summary

Location-based approach	Activity Data (kWh)	Scope 2 emissions (kgCO ₂ -e)	Scope 3 emissions (kgCO ₂ -e)
ACT	0	0	0
NSW	1,561,178	1,217,719	109,282
SA	0	0	0
VIC	0	0	0
QLD	787,823	630,259	94,539
NT	0	0	0
WA	72,082	48,295	721
TAS	0	0	0
Grid electricity (scope 2 and 3)	2,421,083	1,896,272	204,542
ACT	0	0	0
NSW	227,840	0	0
SA	0	0	0
VIC	0	0	0
QLD	77,566	0	0
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Non-grid electricity (Behind the meter)	305,406	0	0
Total electricity consumed	2,726,489	1,896,272	204,542

Emissions footprint (tCO₂-e)	2,101
<i>Scope 2 emissions (tCO₂-e)</i>	1,896
<i>Scope 3 emissions (tCO₂-e)</i>	205

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity Data (kWh)	Emissions (kgCO ₂ -e)
None	0	0

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. These emissions are accounted for through an uplift factor. 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.

Both office furniture and cleaning services were deemed to be relevant to this certification but immaterial in relation to the overall inventory.

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
Cleaning services	Yes	No	No	No
Office furniture	Yes	No	No	No

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

There was no excluded emission sources as part of this assessment.

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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Property developments (building embodied energy & emissions)	Yes	No	No	No	No	No
Maintenance and repairs, capital expenditure and fit outs	Yes	No	No	No	No	No
Tenant operations – electricity	Yes	No	No	No	No	No
Professional services	Yes	No	No	No	No	No



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