



An Australian Government Initiative

**DEXUS PROPERTY GROUP
NCOS CARBON NEUTRAL PROGRAM
PUBLIC DISCLOSURE SUMMARY FY11**

1. ORGANISATION AND PRODUCT INFORMATION

Organisation name:	DEXUS Property Group
Disclosure period:	From: 1 July 2010 to 30 June 2011
Date of most recent verification:	19 January, 2012
Carbon neutral disclosure type:	Part of an organisation - DEXUS head office only - Levels 7 - 10, 343 George Street, Sydney NSW 2000

2. ORGANISATION DESCRIPTION AND BOUNDARY

DEXUS is one of the largest diversified property groups in Australia, with over A\$14 billion in funds under management and 240 properties worldwide. The Group has extensive experience in owning, managing and developing superior quality office, industrial and retail properties primarily in Australia and the United States.

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\$7.5 billion direct property portfolio, DEXUS Property Group, which is focused on developing, owning and managing quality office and industrial properties primarily in Australia and the US
- our A\$6.2 billion funds management business, one of the largest in Australia, which develops and manages office, industrial and retail properties on behalf of third party investors. In Australia, this includes DEXUS Wholesale Property Fund and private client mandates

Our commitment to sustainability is a long term strategy. For almost 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)
- Global 100, World Economic Forum in Davos, Switzerland FTSE4Good Index
- Carbon Disclosure Project

DEXUS is a founding member of the City of Sydney's Better Buildings Partnership and a signatory to:

- Greenprint Foundation - US
- United Nations Principles of Responsible Investment (UNPRI)

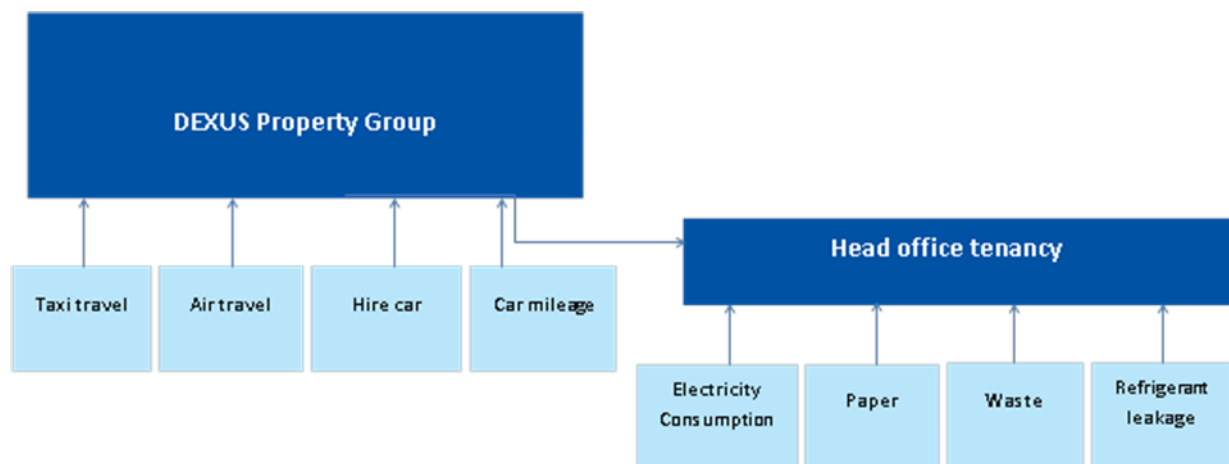
Reporting boundaries

The boundary for reporting Scope 1, 2 and 3 greenhouse gas emissions is our head office only, which is a facility reported under NGERs, to which we have operational control over. DEXUS has calculated Scope 1, 2 and 3 greenhouse gas emissions attributable only to our organisation's head office facility located at Levels 7 - 10, 343 George St, Sydney, 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, for tenancy and base building
- 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 2010.

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; Australian Greenhouse Office Factors and Methods Workbook, December 2006; EPA Victoria Paper note, May 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 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 (NGERs).

EMISSIONS SOURCES

Emission sources	Scope assessed (1,2 and/or 3)	Tonnage CO ₂ -e
Refrigerant leakage	1	2
Refrigerants - base building	3	12
Purchased electricity - tenancy (gross)	2	403
Purchased electricity (tenancy)- transmission and distribution losses	3	76
Purchased electricity - base building (gross)	2	434
Purchased electricity (base building)- transmission and distribution losses	3	82
Transport fuel - air travel	3	1,142
Transport fuel - taxi	3	30
Transport fuel - car mileage	3	5
Transport fuel - hire cars	3	24
Paper	3	5
Waste	3	30
GreenPower™ (20%)		-81
Total (Net) Emissions*		2,165

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

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

GreenPower™: 89.46 MWh (81 tonnes CO2-e)

4. TOTAL CARBON FOOTPRINT

Carbon Footprint: 2,246 Tonnes CO2-e

5. EMISSION REDUCTION MEASURES

DEXUS's commitment to sustainability is a long term strategy. We are committed to reducing resource consumption and the impact of climate change across our entire portfolio and this begins with our head office, levels 7-10, 343 George St, Sydney NSW 2000; where we are focusing our efforts on improving our 4-star NABERS Energy tenancy rating in line with our portfolio commitments in FY 12.

Our emissions reductions strategy takes the form of a 'Tenancy Sustainability Plan' specifically targeting our head office at Levels 7-10, 343 George St, Sydney, NSW, 2000. The tenancy sustainability plan outlines our key strategies, objectives and targets for a more sustainable office. Key strategies focus on resource efficiency and energy management, improving our NABERS tenancy rating, reducing waste to landfill and increasing recycling and sustainable procurement which includes increasing the use of recycled products, reducing consumables/paper and implementing new technologies especially in IT.

The plan is endorsed and managed by the DEXUS Sustainability Workplace Action Group (SWAG) chaired by the Head of Corporate Responsibility and Sustainability and has a challenging charter to achieve carbon reduction targets of 5% annually for the next two years, reducing printed paper by 50% over the next financial year and reducing the procurement of consumables by 10% over the next financial year. The SWAG reports to the CR&S Committee.

The Group must ensure continuous improvement in environmental management and feedback improvements into our ISO 14001 accredited environmental management system. The Group reports directly to the CR&S Committee and is comprised of key individuals across the tenancy that are empowered to achieve process changes.

Progress to date

Date	Emissions reduction measures	Savings (CO ₂ -e)
Commenced end of FY10	IT upgrades As part of a 24 month IT focus, DEXUS IT has implemented the following; <ul style="list-style-type: none"> ▪ Decommissioned and virtualised servers in the level8 communications room. In FY12 we are looking to 	To be realised in FY12

	<p>virtualise another three servers with estimated savings of 28.8kWh per day (400 watts x 24 hours x 3 servers)</p> <ul style="list-style-type: none"> ▪ Further rollout of remote access software to reduce the number of PCs left on for afterhours access. We have implemented a 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 implement and subsequent monitoring of individual and team printing statistics ▪ Created hot desks for employees visiting our tenancy from interstate and issued iPads for mobile employees <p>Ongoing projects and projects commencing include:</p> <ul style="list-style-type: none"> ▪ Implementation of Windows 7 on a staggered rollout (still ongoing). Windows 7 demonstrated energy savings surpassing those capable of XP. Estimated savings are 10% for each PC. We now have 127 Windows 7 PCs within our tenanc, and anticipating an 80% completion by FY12 out of the 227 PC's we should have 181 PCs on Windows 7 by end of FY12. Estimated savings are 181 PCs x 0.007 kWh savings x 10 hours (working time) = 12kWh per day. ▪ Monitoring and reporting of PC use across the business to identify further efficiencies. Due to a growing business need, dual monitors have been installed for a variety for roles for work functionality. IT is working to mitigate the increases in energy from additional hardware with issuing laptops, iPads etc 	
March 2011	<p>Commissioning a NABERS issues report As part of our annual NABERS tenancy rating conducted in March 2011, we commissioned a report to identify areas for improvement both efficiencies and potential retrofits. The report identified the following opportunities that are currently in process:</p> <ul style="list-style-type: none"> ▪ Reprograming of lighting within each zone to more effectively reflect employee behaviour and working hours ▪ Introduction of photo cell sensors for down lights on level 10 where natural lighting levels are high ▪ Identification of a number of base building loads running from the tenant boards to be rectified FY12 ▪ A lighting retrofit was identified in the report and further evaluation needs to be carried out in order to define improved ROIs 	To be realised in FY12

July 11	Tenancy waste reporting DEXUS has commissioned reports for our tenancy (levels 7-10) within our head office building. Due to being a tenant within a building we do not own, the data available was not specific to our operations, and measured on a whole building basis. DEXUS now has granularity around waste to landfill, commingle, paper and cardboard recycling on a floor by floor basis.	To be realised in FY12
August 11	Assessing our metering capability DEXUS electricity metering for our head office consists of a utility meter on each floor. The meters are not daily/real time meters. We are currently investigating sub-metering and more visible metering solutions to allow us to monitor impacts of projects.	To be realised in FY 12
August 11	Encourage further use of new and upgraded video conferencing facilities. DEXUS has upgraded video conferencing both in the US office and Australian head office. We intend to promote and encourage the use of these facilities to reduce domestic and international airline travel.	To be realised in FY12

6. OFFSET PURCHASE/CANCELLATION

The decision to become carbon neutral within the boundary of our head office at 343 George St, Sydney 2000 is part of an overall commitment to reducing our carbon emissions globally and the first step in neutrality of our Australian corporate operations.

Offsets procured, are sourced from accredited providers and will be purchased for the year previous at the close of every financial year commencing with FY11.

Offset Type Refer NCOS 3.1	Registry	Serial numbers	Offset Quantity (Tonnes CO ₂ -e)
VCU(CO ₂ e)	Markit Environmental Registry: ID: 100000000000384	1840-76155733-76156732- VCU-010-MER-CN-1-438- 01042006-31122006-1	1000
VCS(CO ₂ e)	Markit Environmental Registry: ID: 100000000000144	1785-74156008-74156207- VCU-018-MER-TH-13-82- 01012010-31082010-0	200
VCS (CO ₂)	Markit Environmental Registry: ID: 100000000000828	1738-71773955-71774954- VCU-015-MER-IN-1-704- 01012008-31122008-0	1000

Total			2,200
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7. OTHER INFORMATION

Further information on DEXUS's commitments to CR&S can be found in the Annual Review 2011 and linked Performance Pack at www.dexus.com. Other relevant reports are listed below:

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