

Lendlease office funds achieve carbon neutral status

Sydney, 22 April 2021: One of the nation's largest group of office assets, Lendlease Funds Management's Australian office portfolio, has officially been certified carbon neutral.

The carbon neutral status applies to more than \$11.1 billion in office assets and 566,000 sqm of floor space managed by Lendlease across three of its flagship office funds – Australian Prime Property Fund (APPF) Commercial and two International Towers trusts that comprise the office precinct at Barangaroo South.

The carbon neutral goal has been achieved five years ahead of Lendlease's target for funds to be Net Zero Carbon by 2025 for Scope 1 and Scope 2. Office assets at Barangaroo South are already fully powered by renewable energy and APPF Commercial is on track to achieve this target by 2025.

Lendlease's strong track record of investing in decarbonisation initiatives includes energy efficiency plant and equipment upgrades and increased onsite solar, with currently 2MW of solar across the portfolio. Office acquisition requirements include a commitment to invest in 6 Star Green Star and 5.5 Star NABERS Energy rated new assets where possible.

The Green Building Council of Australia's Green Star Performance rating was used as an independent pathway to achieve carbon certification by Climate Active, which is an ongoing partnership between the Australian government and the private sector to drive climate action.

Quotes attributable to Scott Mosely, Managing Director, Lendlease Funds Management

"Being carbon neutral in real estate will be critical in continuing to attract both capital partners and quality tenants. Buildings that integrate the physical risks of climate change will increasingly contribute to investment performance and provide a competitive advantage.

"Tenants want to be in highly sustainable precincts that support their own environmental goals. In addition, the complementary wellness benefits these types of precincts offer are very attractive to office workers, customers and the general community."

Quotes attributable to Davina Rooney, CEO of GBCA

"Buildings and construction are responsible for 39% of global energy-related carbon emissions. While we have a lot of high performing buildings in Australia, very few that can lay claim to certified carbon neutral status and this is why Lendlease's achievements are worth celebrating.

"Lendlease's achievements demonstrate world leadership and that carbon neutrality within the build environment is not only the right thing to do environmentally, economically and socially, but that it's also possible.

The Lendlease logo is a stylized, multi-colored shape resembling a folded ribbon or a modern 'L' shape. It features a gradient from light green on the left to a darker teal on the right, with a white outline. The word "lendlease" is written in a lowercase, sans-serif font in white, positioned within the teal section of the logo.

lendlease

“We’re seeing an increase in tenants seeking property that’s created for the modern workforce by considering resilience, people and their health, and through the use of Green Star, Lendlease is meeting the market’s needs.”

Additional background:

Other recent sustainability achievements across Lendlease’s Australian office portfolio include:

- World’s most sustainable office fund, with Lendlease International Towers Sydney Trust ranked global office sector leader (all office and non listed) in 2020 GRESB Real Estate Assessments. For 6 out of the last 7 years a Lendlease office portfolio has been ranked the world’s most sustainable office fund by GRESB.
- World’s first commercial owner to achieve a WELL portfolio rating for its office portfolio from the WELL Building Institute (IWBI) and Australia’s first to achieve the Health Safety Rating for Operations and Maintenance.
- All office developments delivered by Lendlease and incorporated into Lendlease’s office funds in the last decade have achieved 6 Star Green Star office or Design & As-Built certifications.
- Office assets at Barangaroo South have achieved 5.5 NABERS energy ratings and our APPF Commercial office portfolio has a decimalized 5.2 NABERS energy rating.

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