GDI Property Group Limited

FY22 Environmental, Social and Governance (ESG) Report

Sustainable Asset Management

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Sustainable Asset Management

Contents

Message from Steve Gillard, Managing Director

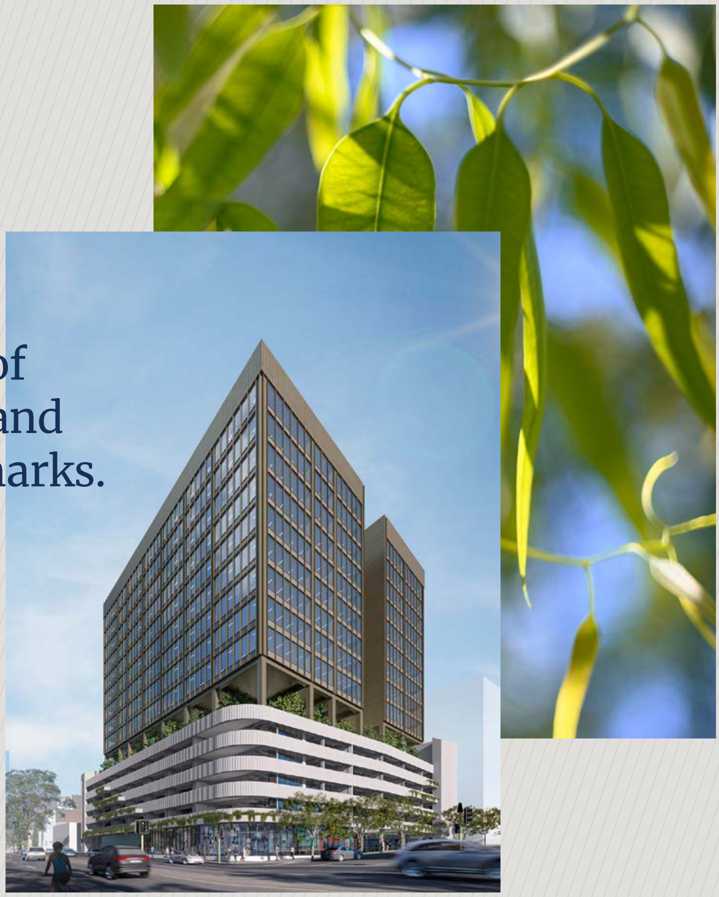
We are pleased to present GDI's FY22 Environmental, Social and Governance (ESG) Report. GDI continues to expand its ESG reporting parameters to encompass greater visibility of our achievements and our goals for the future.

GDI has been an early adopter of good environmental practices and we continue to set new benchmarks with projects like the development of WS2 in Perth, a steel and timber office tower constructed over the existing Westralia Square carpark. This construction methodology will deliver a market leading building with more than 80% less embodied carbon than an equivalent traditional concrete building. The focus on sustainability will continue during the building's operational phase with services drawn from the existing Westralia Square building and smart technology utilised throughout.

The appeal of WS2 to the office leasing market has been exceptional and has led to substantial enquiry from prospective tenants. This has prompted GDI to look for other opportunities to utilise the same approach to sustainable construction at other locations within our portfolio.

GDI's focus on sustainability is driven by both a desire to contribute to a better world and to achieve better economic returns for our stakeholders. We do this, not to tick a box but to achieve materially better outcomes and make a genuine difference in the sphere in which we operate.

With much of the heavy lifting done in respect of sustainability initiatives in our existing property portfolio, our additional goals during FY22 have been to minimise our operational and construction waste and applying a greater focus on our supply chains. To this end, we have monitored operational waste and recycling for all assets under our operational control together with the demolition and construction waste and recycling on the development of WS2. This has resulted in 1,255.27 tonnes or 97.1% of all demolition and construction waste from WS2 to 30 June 2022 being recycled and kept out of landfill.



GDI has been an early adopter of good environmental practices and we continue to set new benchmarks.

While we are not required to report under the Modern Slavery Act, during FY22 we conducted a review of all our Tier 1 suppliers to ensure our compliance. We will continue to expand our monitoring to ensure ongoing compliance with the Modern Slavery Act by GDI and our suppliers.

Moving in to FY23 we will press forward, in collaboration with our tenants, with a move to green energy after an extensive review in FY22. It is our intention to implement GreenPower in all locations where our tenants share our desire to actively pursue a reduction in our shared scope 2 emissions to further reduce our impact on the environment.

Another of our focus areas for FY23 will be expanding our sustainable procurement policy to all new and existing tenants. While GDI has long followed a sustainable path in procurement of materials and products in our assets, we are expanding this to include those additional areas that we can influence including fitouts and other works undertaken by our tenants. Our sustainable procurement policy is being incorporated in all building fitout guides and adherence by tenants and contractors will be overseen by GDI staff and appointed consultants.

Longer term, GDI will further expand our reporting to include the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). Beginning in FY23 and to be expanded in subsequent years, GDI will broaden its review of all financial and other risks associated with climate change. This year we have included an initial baseline mapping in this report to determine our gaps, and work to address these over the next few years.

This, together with all issues identified in our ESG report represent standing items at each board meeting and are accompanied by formal presentations to the board to ensure the highest level of oversight is applied.

This ESG report is released together with our Annual Report and should be read in conjunction with our separately released Corporate Governance Statement and Modern Slavery Statement.

We trust that you find this report and related statements valuable and interesting, and we look forward to your feedback.

Yours sincerely

Mr Steven Gillard
Managing Director

About this Report

This report provides an overview of GDI's Environmental, Social and Governance (ESG) performance and strategy for the period 1 July 2021 to 30 June 2022. The report is GDI's third annual ESG Report. Together with the company's Annual Financial Report for the year ended 30 June 2022, Corporate Governance Statement and Modern Slavery Statement, the suite of communications provides a comprehensive overview of the company's activities. GDI's financial report was released on 22 August 2022.

This report outlines the ESG performance of assets that are under GDI's operational control. It does not include assets that GDI fully or partially owns that are not under GDI's operational control (see Appendix 1). GDI comprises the stapled entities GDI Property Group Limited (ACN 166 499 189) and GDI Property Trust (ARSN 166 598 161).

Assets within GDI's operational control are:

Buildings

- 1 Adelaide Terrace, Perth, Western Australia
- 235 Stanley Street, Townsville, Queensland
- Mill Street complex: 197 St Georges Terrace, 1 Mill Street and 5 Mill Street, Perth, Western Australia
- Westralia Square and WS2, 141 St Georges Terrace, Perth, Western Australia
- 180 Hay Street, East Perth, Western Australia
- 6 Sunray Drive, Innaloo, Western Australia

Car parks

- 419-431 Murray Street, Perth, Western Australia
- 301-311 Wellington Street, Perth, Western Australia

The report has been compiled in accordance with the Global Reporting Initiative (GRI) Standards 2021. To support our ESG reporting, the GRI G4 Construction and Real Estate Sector Disclosures and the SASB Real Estate Services Sustainability Accounting Standard disclosures have been included. We have also included for the first time the Task Force on Climate-related Financial Disclosures (TCFD). External assurance of the report has not been undertaken.

The scope of reporting on environmental data has changed from GDI's FY21 ESG Report to the FY22 ESG Report, with the divestment of an asset located at 50 Cavill Avenue, Surfers Paradise, Queensland and new investments in 419-431 Murray Street, Perth and 301-311 Wellington Street, Perth, Western Australia.

Restatements of environmental data are noted in Appendix 6.

Questions regarding information contained within this report can be directed to John Garland, Head of Property, GDI at john@gdi.com.au

About GDI

Who we are

GDI is a fully integrated, internally managed property and funds management group with capabilities in ownership, management, development, refurbishment, leasing, and syndication of properties. GDI has staff in Sydney and Perth and its head office is located in Sydney.

What we do

GDI specialises in providing income and value-add property trusts to listed and wholesale investors. In addition to GDI Property Trust, GDI also manages seven unlisted, unregistered managed investment schemes on behalf of over 1,500 high net worth investors.

GDI acquires under-valued properties generally for between $25 million and $250 million with strong potential to improve. When acquiring properties, key selection criteria include significant potential to realise increased income and value, excellent locations, good natural light, easily divisible floor plates, and potential for improving a property's environmental credentials.

Our business model is simple. We purchase buildings, improve them and establish environmental efficiencies. Improvements could be in the form of refurbishment or redevelopment using market leading techniques such as the use of steel and timber as construction materials.

Our operations

GDI currently has two divisions, a Property Division and a Funds Business. The Property Division owns a portfolio of office and carpark assets and generates returns through rental income (including parking) and capital growth. The Funds Business manages seven unlisted, unregistered managed investment schemes and generates returns through co-investment stakes and funds management fees.

Across both the Property Division and the Funds Business GDI undertakes the following activities:

Investment and divestment

GDI owns and manages property. GDI is an active investor, creating value through astute property selection, carefully researching for value-add commercial property opportunities that meet strict investment criteria.

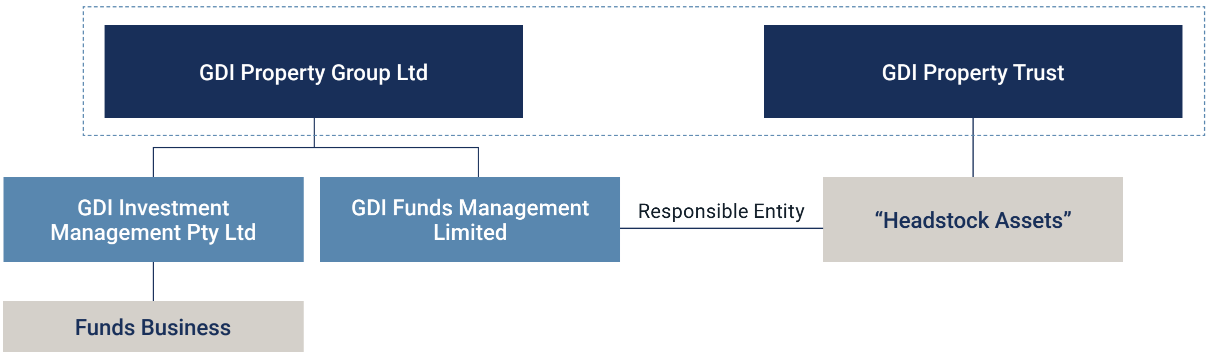
Development, redevelopment and refurbishments

Most assets that GDI owns and manages have value add opportunities, including:

- selective capital improvements including to improve a property's sustainability credentials;
- releasing or recalibrating existing leases to improve a property's operating cashflows; and
- development or redevelopment opportunities, including adaptive re-use options.

Asset management

As an owner and manager of property; asset management is core to what GDI does. Asset management involves setting the strategies for each property, including capital expenditure plans, leasing strategies and outgoings management. GDI outsources the property management function to experienced property managers.



FY22 Highlights

Environment

~80%

reduction in embodied carbon during construction of WS2 compared to traditional construction method

1,255.7 tonnes

demolition and construction waste recycled at WS2

97.1%

demolition and construction waste recycled at WS2

4.9 Star

NABERS Office Energy rating:
Sustainable Portfolio Index 2022

Social

Publication of voluntary Modern Slavery Statement

Governance

8

Amended 8 policies & charters with ESG Commitments

Progress on Commitments

In our FY21 ESG Report, we outlined a series of commitments to be completed throughout the reporting year.

Our progress is as follows:

Committment	Not achieved	In progress	Completed	Commentary
Continue to assess climate change risk and adopt mitigation measures		●		FY22 marks the first year of TCFD reporting. Carbon reduction measures are in place throughout all assets. Our WS2 building is being constructed with substantial embodied carbon considerations.
Implement a formal waste data collection process		●		Operational and construction waste data collection process is complete. Refurbishment waste data collection process carried over to FY23.
Set waste reduction KPIs	●			Carried over to FY23.
Set energy and emissions reduction targets			●	Buildings currently have NABERS targets set for each office (equate to a maximum energy intensity and maximum emissions usage per annum.
Create guidelines for construction and tenant waste		●		Guidelines created for WS2 construction and to be implemented for refurbishment activities in FY23.
Set NABERS Water rating and water reduction KPIs for all assets			●	Buildings currently have NABERS water targets set (equated to a maximum water intensity per annum).
Implement monitoring and reporting on product material types and quantities		●		Guidelines created for WS2 construction and to be implemented for refurbishment activities in FY23.

Material Topics

Our materiality assessment was conducted in FY21 with an external consultant, by using the online questionnaire based Materiality Assessment Tool (MAT). Internal (staff and Board) and external (investors and capital providers) stakeholders were included in the assessment.

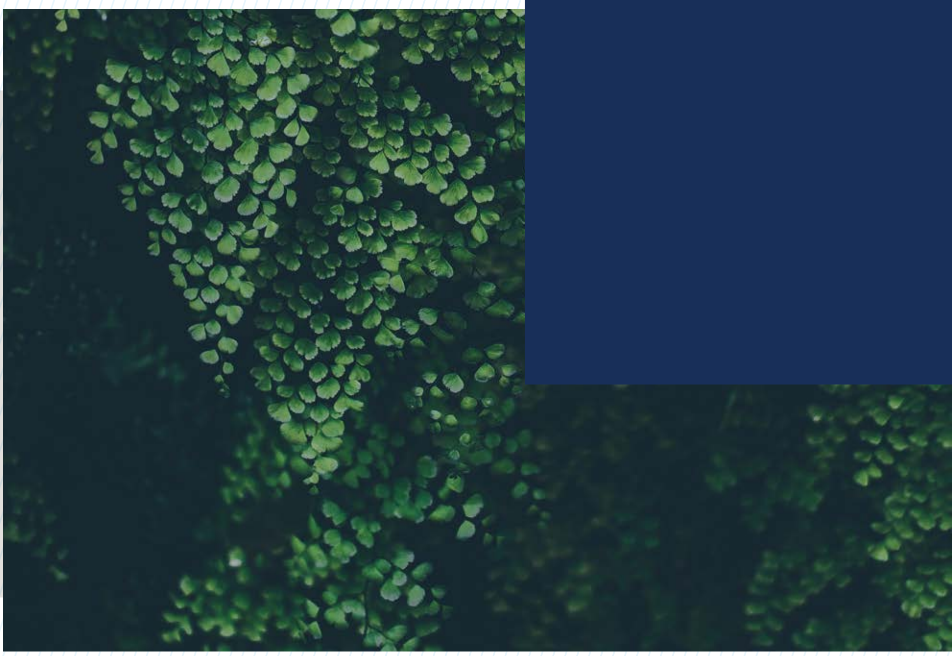
The MAT was customised specifically for GDI and included sustainability topics drawn from the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) Real Estate Standard, global risks and megatrends, and the company's risk register.

While the results of the FY21 materiality assessment have continued to provide us with our most material topics to focus on for the FY22 reporting year, we have made some changes to the selection of topics for reporting.

In FY22, we include GDI's most material economic, environmental and social topics, and have removed governance topics identified in the FY21 materiality assessment, as good ESG governance is non-negotiable at GDI. This has provided us with a greater focus on the company's actual environmental and social impacts. We will conduct our next materiality assessment in FY23.

Our most material topics in order of priority are:

1. Energy management
2. Waste management and recycling
3. Use of sustainable, renewable and/or recycled materials
4. Good environmental design for human health
5. Greenhouse gas emissions
6. Water and wastewater management
7. Economic performance
8. Non-discrimination
9. Marketing and communications compliance
10. Socially responsible supply chain
11. Employment conditions
12. Anti-corruption



Focus on Reducing Energy and Emissions

Energy and the emissions that are associated with energy use are widely acknowledged as a key contributor to climate change.

Currently, buildings are responsible for:

39%

of all global energy related carbon emissions in the world.

28%

of these emissions are operational
(i.e., from the energy used to heat, cool, and power them);

11%

remaining are from the materials and construction process

(World Green Building Council, 2019).

Energy and the emissions that are associated with energy use are widely acknowledged as a key contributor to climate change. Currently, buildings are responsible for 39% of all global energy related carbon emissions in the world: 28% of these emissions are operational (i.e., from the energy used to heat, cool, and power them); the remaining 11% are from the materials and construction process (World Green Building Council, 2019).

In the Australian context, while up to date directly comparative figures are scarce, the Department of Climate Change, Energy, the Environment and Water has stated that commercial buildings consume approximately 25% of Australia's energy use and generate around 10% of total carbon emissions (Department of Climate Change, Energy, the Environment and Water, 2022).

Office buildings contribute approximately 25-30% of energy consumption within commercial building stock in Australia and are one of the largest energy consuming sectors within building classes (EY, n.d.).

Overall responsibility for base building energy and emissions associated with assets within our operational control lies with GDI. Our contracted property and facilities managers are responsible for the maintenance and continuous improvement of energy and emissions performance.

Decarbonisation in retrofit and construction

Asset managers such as GDI play an important role in the transition to decarbonisation by reducing the energy and emissions of the office buildings that they own and build.

The Intergovernmental Panel on Climate Change (IPCC) has determined that significant transitions, such as the transfer to alternative energy suppliers, energy efficiency and conservation measures, are needed to reduce emissions. Decarbonisation of the commercial building sector will play a large role through the implementation of energy and emissions reduction measures during both the retrofit of existing structures and new construction (Intergovernmental Panel on Climate Change (IPCC), 2022).

In developed countries such as Australia, the highest carbon emissions mitigation potential is within the retrofit of existing buildings.

Since inception, GDI's activities have squarely focused on this activity, although in FY22 we embarked on a new activity – the construction of WS2. We have made an enormous effort to reduce the embodied carbon associated with construction of this building through the use of timber and steel, and the use of existing concrete supports.

Our decarbonisation efforts in existing buildings

One of the most cost-effective strategies to reduce energy and associated emissions is to increase a building's energy efficiency through upgrades and improvements to equipment and appliances.

A focus on establishing energy efficiencies is business as usual at GDI.

Our energy performance programme is designed to measure, assess and improve the utility (energy & water) performance of all of the properties under our operational control. The programme includes utility audits; NABERS ratings; passive improvements; upgrading building services and thermal performance; energy procurement improvements and a formal utility monitoring programme.

We engage consultants to monitor and collect energy and emissions data, which we review and accordingly update facilities and equipment as required to ensure optimal performance. Our commitments to minimising energy and emissions throughout our real estate investment portfolio is outlined in our Environment Policy.

Whole building energy use is generally regarded to be:

56%
base building energy use (owner controlled use)

44%
tenant energy use (tenant controlled use)

This reflects the complexity of asset owners' and property managers' control over office tenant energy use.

GDI's main focus is and has traditionally been to reduce base building energy use. In the past we have relied on our property managers to encourage a reduction in tenant energy use, however, in FY23 our focus will move toward directly engaging with building tenants to encourage them to use alternative energy contracts (GreenPower).

Typical office building energy consumption comprises heating, ventilation and air conditioning (HVAC); lighting; equipment; lifts and hot water. We have a strong focus across all areas of building energy consumption particularly HVAC, lighting, and base building equipment – the three largest sources of energy consumption within a typical office building.

At GDI's owned and managed properties, air conditioning and lifts are generally replaced or upgraded within the first year or two of ownership, to ensure greater energy efficiency. In FY22, one of our assets underwent lift upgrade works, which is estimated to save 20 to 30% of energy consumption for that service.

In terms of the broader existing portfolio, we consistently monitor energy consumption through monthly tracking reports and make ongoing changes to building management systems so that each asset operates more efficiently through reduced energy consumption.

We undertake a range of regular energy efficiency improvements across our assets including improvements to Building Management Systems (BMS), HVAC and lighting – all contributing to our decarbonisation efforts.

Smart Technology: Building Management System (BMS)

A Building Management System (BMS) is a 'smart' technology central hub for a building's interconnected electrical and mechanical services, where problems may be identified and resolved, and where other improvements and efficiencies can be implemented. This technology plays a significant role in reducing energy and emissions at our assets by identifying efficiency issues with HVAC and lighting and ensures optimal performance of these services.

BMS Activities and Improvements in FY22

In FY22, in three out of our eight owned and operationally controlled building assets we undertook various BMS efficiency initiatives including:

- BMS system upgrade works to improve and maintain a high energy efficiency rating
- Changing of BMS preventative maintenance strategies to optimise and identify issues and deficiencies to assist in improving the energy efficiency performance of the buildings
- A software upgrade and improvement of BMS controls

Another of our owned and managed assets will undertake a BMS upgrade in FY23.

Heating, Ventilation and Air-conditioning (HVAC)

Heating, ventilation, and air conditioning (HVAC) is the most significant contributor to the energy consumption and running expenses of a building.

Rather than choosing to undertake large-scale equipment upgrades and replacements, HVAC optimisation focuses on maximising the use of existing systems. This is done through modifying algorithms, control schedules and set points and undertaking minor mechanical repairs and modifications when necessary (Office of Environment and Heritage, 2015).

Building plant equipment such as chillers and boilers deliver energy through air, water, or a refrigerant to air distribution systems (fans and coils) through a conventional HVAC system. Air handling units (AHUs) are the common name for these kinds of ducting systems. The AHUs then use this power to supply the cooled or heated air that is distributed throughout the workplace.

The HVAC plant fans and pumps consume a significant amount of energy during this process.

HVAC Activities and Improvements in FY22

In FY22, various HVAC efficiencies were implemented including the installation of:

- Electronically commutated (EC) fans
- Efficiency valves on AHUs
- Energy efficient chillers
- Variable speed drives (VSD) on (AHU) fan motors, cooling tower motors and pumps, chilled water (CW) pumps and component cooling water (CCW) pumps

Chiller upgrades and the transfer of a previously manually set AHU to the Building Management System, in conjunction with the above improvements, will contribute to energy efficiencies and reduce emissions.

Lighting

Lighting is the second largest contributor to energy base building use. In existing tenancies, GDI's facility managers replace older lights with energy efficient LED (or equivalent) lighting as the older fittings fail. When refurbishing or retrofitting an asset, lighting is replaced with LED lights and fittings in public access and tenancy areas. Energy and emissions are reduced as a result.

Lighting Activities and Improvements in FY22

In FY22, energy efficient lighting activities included the installation of timed-out motion sensors across three of our eight owned and operationally controlled building assets. At one asset, a significant number of fluorescent twin light fittings were removed and replaced with single LED panels.

Energy Efficiency Ratings

The Commercial Building Disclosure (CBD) programme, an initiative of the Council of Australian Governments (COAG), mandates a NABERS Energy rating for commercial office space of 1000 m^2 or greater that is sold or leased, in accordance with the Building Energy Efficiency Disclosure Act of 2010 (BEED Act). NABERS (National Australian Built Environment Rating System) evaluates the environmental performance of Australian buildings and is the major reporting platform for GDI.

NABERS provides a platform for commercial office occupiers seeking to purchase or lease office space to evaluate energy efficiency, water consumption, indoor air quality and waste management services. The NABERS potential, and specifically the prospective improvement in NABERS rating, is a significant consideration for us when purchasing a building.

NABERS is one component of the Building Energy Efficiency Certificate (BEEC). The other component of the BEEC is lighting which is assessed through the CBD Tenancy Lighting Assessment (TLA) for the area of the building being sold, leased, or subleased. The TLA is an evaluation of tenancy lighting that analyses the installed general lighting system's power density. Two of our properties have earned BEEC 4.5 star ratings (out of a 5 star rating system).

NABERS Sustainable Portfolio Index

In FY22, GDI was invited by NABERS to participate in the NABERS Sustainable Portfolio Index (SPI). The SPI showcases leading property portfolios across Australia according to their NABERS ratings and percentage of portfolio rated.

In our inaugural submission of our portfolio's NABERS energy performance ratings, we rated in the eighth out of 15 brackets within a total number of 40 submissions.

Decarbonisation Efforts in WS2

The majority of environmental criteria utilised by the property industry measures the operational phase of a building's lifespan. Existing buildings contain embodied carbon, or the carbon generated during their construction phase. This carbon can account for up to 30 percent of a typical office building's lifetime carbon emissions, excluding the demolition phase.

By repurposing and repositioning existing structures, we are able to conserve carbon. As far as carbon conservation is concerned, it is evident that our strategy of continuous asset enhancement is effective.

Throughout the year, we began construction on the WS2 office building in Perth. WS2 is a premium office building of approximately 9,500 square metres being constructed from a combination of steel and timber on the existing carpark at Westralia Square. This build represents a paradigm shift in our efforts to reduce embodied carbon across our portfolio.

The two key areas of attention have been to replace as much concrete as feasible with steel and cross-laminated timber, and to construct a new structure borrowing, rather than creating a new structure. WS2 borrows structural support from an existing concrete car park structure beneath it, as well as spare thermal capacity from an adjacent office building (all owned and operated by GDI). The combination of these main characteristics has resulted in an approximate 80% reduction in embodied carbon compared to the construction of a comparable modern reinforced concrete building.

Once operational, it is anticipated that WS2 will produce much fewer emissions than a standalone building due to its high performance thermal envelope and the fact that it will share some utilities with the adjacent Westralia Square building. We intend to secure green energy for WS2's base build energy needs to remove scope 2 emissions and are evaluating whether to purchase offset credits for scope 1 and 3 emissions, potentially rendering the operational phase of WS2 carbon neutral.

Stakeholder Engagement on Energy and Emissions

In addition to engagement with our contracted property managers when reviewing how to reduce building energy consumption, the provision of GreenPower to tenants has been the main focus of internal discussion in FY22. Pricing and green energy options have been discussed in detail with all property managers and our internal facility and asset management team.

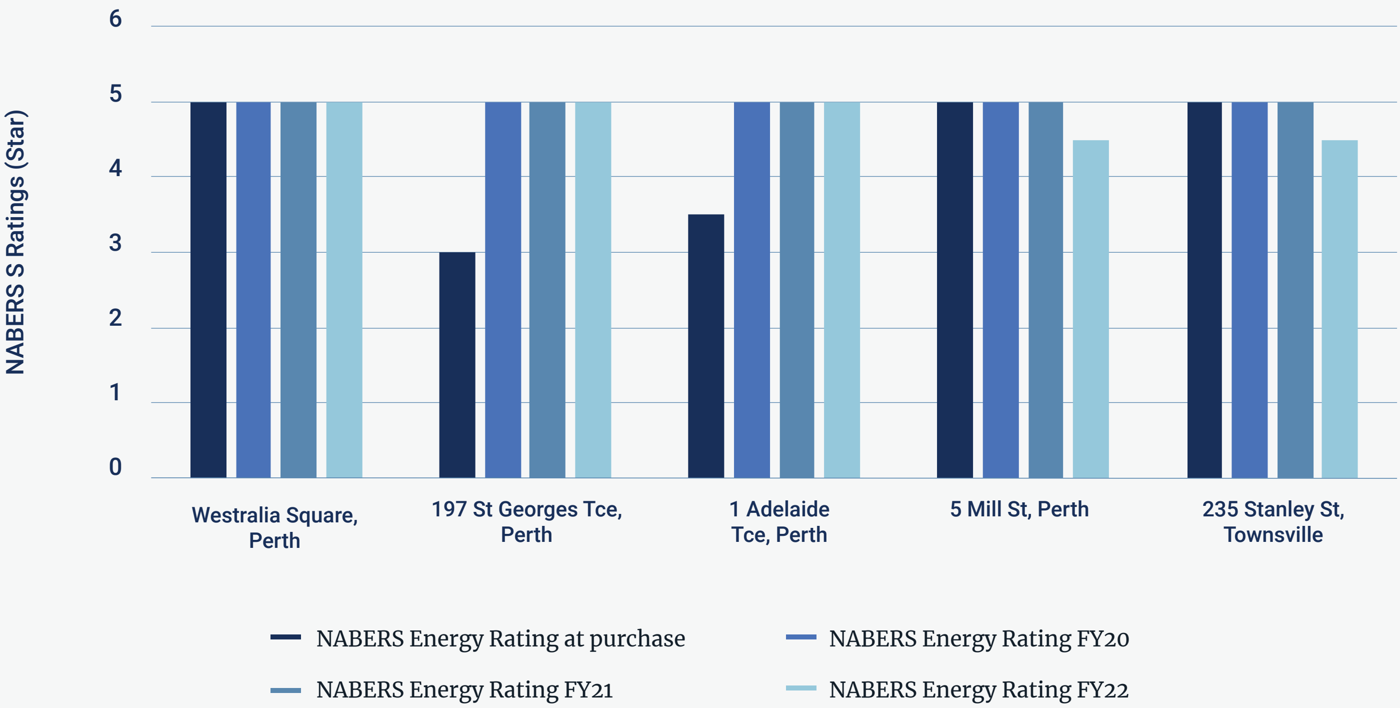
The renewal of tenant energy supply contracts and determining which GreenPower suppliers to engage has to date been our largest review of Scope 2 emission reductions across assets within our operational control.

As part of this ongoing process, the GDI Board will review the total energy consumption in our buildings and the associated costs with transitioning to GreenPower. Once this review process has been completed, we will commit to talking to our tenants in FY23 about green energy options so that we can assess their appetite for taking up GreenPower contracts at a cost that would be additional to their current energy provision.

NABERS Energy Performance Ratings*

Energy ratings for two of our assets decreased in their NABERS ratings. 5 Mill St moved from a 5 Star to a 4.5 Star rating, primarily due to a reduced occupancy rate of approximately 15%. 235 Stanley St also moved from a 5 Star to a 4.5 Star rating primarily due to a reduced occupancy rate of approximately 20%. Our targets for FY23 are to achieve a NABERS 5 Star Energy Rating across all assets under our operational control.

NABERS Energy Ratings



*Refer to Appendix 6: Environmental Data Notes for explanatory notes

Energy Performance Summary*

Absolute							Like for Like*			Baseline Comparison*		
Metric		FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
Net Lettable Area		89,144.00	151,789.00	151,789.00	156,714.30	133,879.30	128,954.00	128,954.00	0%	151,789	133,879	-12%
Non-renewable energy	Diesel	52.23	56.24	142.68	117.34	23.70	110.33	22.97	-79%	142.68	23.70	-83%
	Natural Gas	354.11	315.42	252.11	296.70	315.24	297	315	6%	252.11	315.24	25%
	Electricity (grid)	6,637.00	8,123.00	7,703.80	6,686.25	5,542.05	4,903	5,292	8%	7,703.80	5,542.05	-28%
	Total energy consumption (MWh)	7,043.34	8,494.66	8,098.59	7,100.28	5,880.99	5,310.4	5,630.2	6%	8,098.59	5,880.99	-27%
	Energy intensity (MJ/m^2)	284.44	201.47	192.08	163.11	158.14	148.25	157.18	6%	192.08	158.14	-18%

*Refer to Appendix 6: Environmental Data Notes for explanatory notes

Greenhouse Gas Emissions Performance Summary*

Absolute						Like for Like*			Baseline Comparison*		
Metric	FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
Net Lettable Area – Operationally Controlled	89,144	151,789	151,789	156,714	133,879	128,954	128,954	0%	151,789	133,879	-12%
Greenhouse gas emissions (tCO_2-e)											
Direct (Scope 1)	78.89	72.73	82.83	84.69	64.47	82.92	64.28	-22%	82.83	64.47	-22%
Indirect (Scope 2)	4,955.05	6,037.50	5,692.73	4,908.14	3,952.17	3,480.10	3,752.12	8%	5,692.73	3,952.17	-31%
Total Scope 1 & 2 emissions	5,033.94	6,110.23	5,775.55	4,992.83	4,016.64	3,563.03	3,816.40	7%	5,775.55	4,016.64	-30%
Greenhouse gas emissions intensity (kg CO_2e/m^2)	56.47	40.25	38.05	31.86	30.00	27.63	29.60	7%	38.05	30.00	-21%

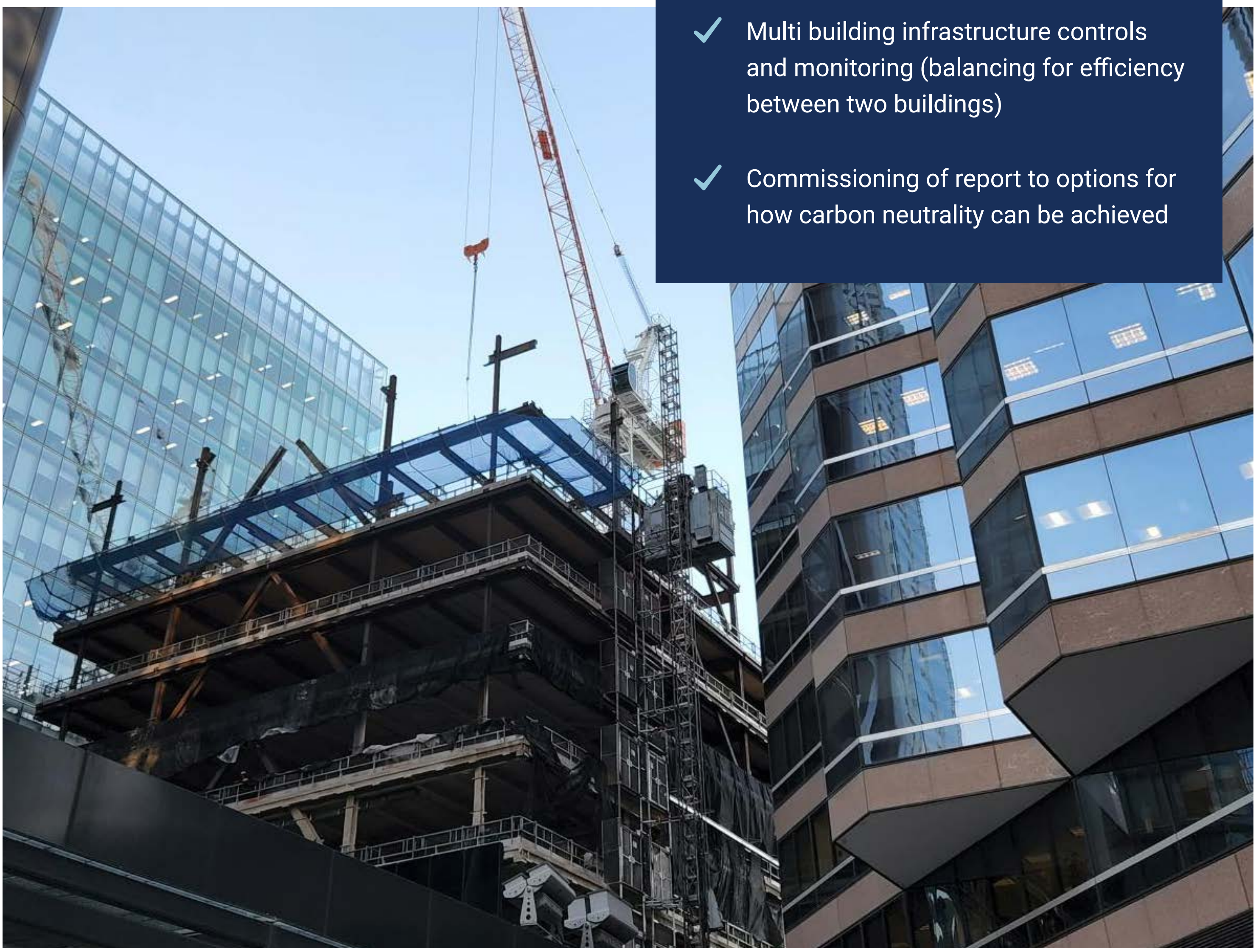
*Refer to Appendix 6: Environmental Data Notes for explanatory notes

FY23 Energy and Emissions Targets

- Continuous reductions in energy and emissions from FY22 levels across assets under our operational control through maintenance and improved technologies.
- Review the total energy consumption in our owned and operated buildings and associated costs with transitioning to GreenPower.
- Commit to talking to our tenants about GreenPower so that we can assess their appetite for transitioning to less energy and emissions intensive power provision.
- Achieve NABERS 5 Star Energy Rating across all assets under our operational control.

Focus on WS2

- ✓ 5 Star NABERS Energy target
- ✓ 5 Star Greenstar target
- ✓ Installation of 80 kW solar power retro fitted to plant room roof of adjoining Westralia Square building
- ✓ Infrastructure regeneration: thermal plant utilising existing redundant capacity
- ✓ Multi building infrastructure controls and monitoring (balancing for efficiency between two buildings)
- ✓ Commissioning of report to options for how carbon neutrality can be achieved



Responsible Waste Management

The extraction, processing, and disposal of materials have substantial environmental impacts and so it is essential that we practise responsible materials management through our purchase, reuse, repurposing, and recycling decisions. Managing waste responsibly is critical to reducing the waste impact of operational, demolition and construction and tenant waste.

Waste is a major global problem with potentially severe environmental consequences if not managed effectively. Research undertaken by Australia's Better Buildings Partnership has identified that approximately 63 tonnes of material per $1000m^2$ is created during an office stripout (Better Buildings Partnership, 2018). Research by the group also shows that, on average, only 21% of fitout waste across Sydney is diverted from landfill (Better Buildings Partnership, 2022). While GDI's owned and operated buildings are located in Perth and Townsville, these figures serve as a reminder that even in a much larger city such as Sydney with greater access to established waste facilities, much can be done to reduce waste to landfill.

The impetus to reduce waste is not limited to refurbishment activities but is critical in the construction of new buildings.

In FY22 GDI embarked upon the construction of the WS2 building. Construction of a new building is a first for GDI and we have designed WS2 around circular principles. Through a purposeful focus on circularity we have diverted 1,255.27 tonnes (97.1%) of waste from landfill through recycling efforts.

Globally, the construction sector is one of the largest users of raw materials, and consequently one of the largest producers of waste. The dedicated adoption of circular principles in the construction industry is relatively new, however increased efforts have been made over the last decade to adopt more sustainable practices in the built environment (Deloitte, 2020).

How we manage waste

Operational waste is generated through the refurbishment of our assets (building transformation) and downstream waste generated by the tenants within our buildings. We have direct control of operational waste that we create, and significantly less control over the waste produced by tenants.

Property managers of our buildings are provided with contractor agreements that specify the requirement for multi-waste stream bins to facilitate tenant waste recycling. We collaborate with property managers to reduce the amount of waste generated by tenants. The level of waste management complexity varies from building to building, but many of our property managers have established focused educational initiatives to urge tenants to change their behaviour and boost their recycling efforts.

Waste data is collected by our contracted environmental consultants.

GDI's philosophy has always been to take a responsible and lean approach to waste reduction in our office stripout and fitout activities. It makes sense not only from an environmental, but also an economic perspective.

We take every opportunity to:

- Retain, repurpose and reuse onsite materials, recognising that these are activities that should be prioritised over recycling and disposal
- Recycle construction, refurbishment and day to day operational waste where possible
- Responsibly dispose of non-recyclable construction, refurbishment and day to day operational waste

Refurbishment waste is typically non-hazardous; however, we do occasionally deal with asbestos-containing materials and excess paints and solvents, which are disposed of strictly in accordance with legislative requirements.

Our commitments to reducing operational waste and influencing a reduction in tenant waste are outlined in our Environment Policy and Sustainable Procurement Policy.

Re-use and recycling activities include:

Direct re-use of components into other GDI offices or buildings (where possible)		
Workstations	Fittings	Furniture
Walling	Doors	Floor coverings
Ceiling tiles	Cabling	
Recycling of materials and components to facilitate resource recovery (where possible)		
Aluminium (from walls and glass framing)	Glass	Carpet and underlay
Air conditioning units	Gas from air conditioners that cannot be reused is decanted and disposed of at an approved recycling plant	

Waste Activities and Improvements in FY22

Tenant waste

During FY22, waste data monitoring of tenant waste was implemented across all operationally controlled assets. While multiple waste stream collection has been in place since the acquisition of each site, until this year, we did not have a data collection process in place. FY22 will serve as the baseline year and benchmark for future improvements in waste reduction.

Operational waste

We have been unable to collect reliable refurbishment waste (operational waste), which we had committed to as a target for FY22, however, will put in place mechanisms to collect this data in FY23.

Demolition and Construction waste

Detailed construction waste data has been collected for the new WS2 building.

Stakeholder Engagement on Waste

Our engagement around responsible waste management FY22 has focused internally together with our environmental consultants on establishing tenant waste monitoring and data collection mechanisms.

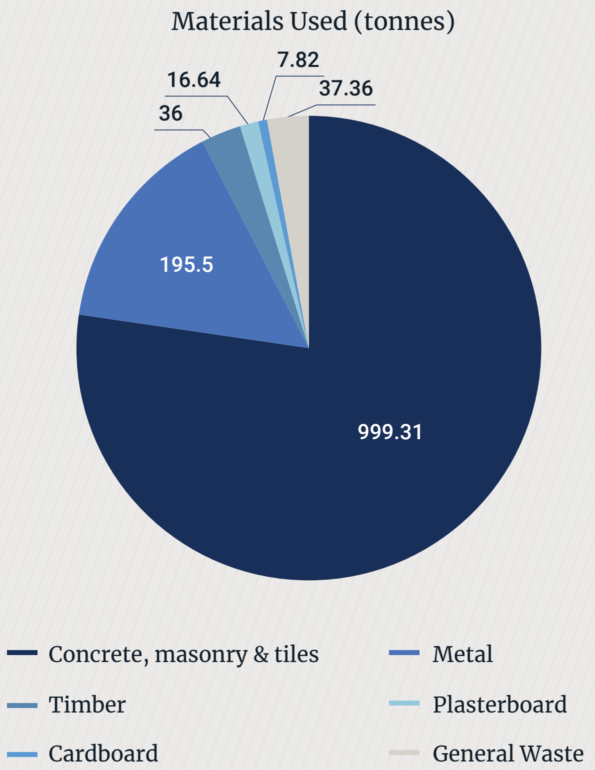
We also drive engagement through our directive on waste reduction through our contracted property managers who in turn engage with tenants to educate them on waste reduction and ensure that they are aware of and optimally utilise all waste systems available to them.

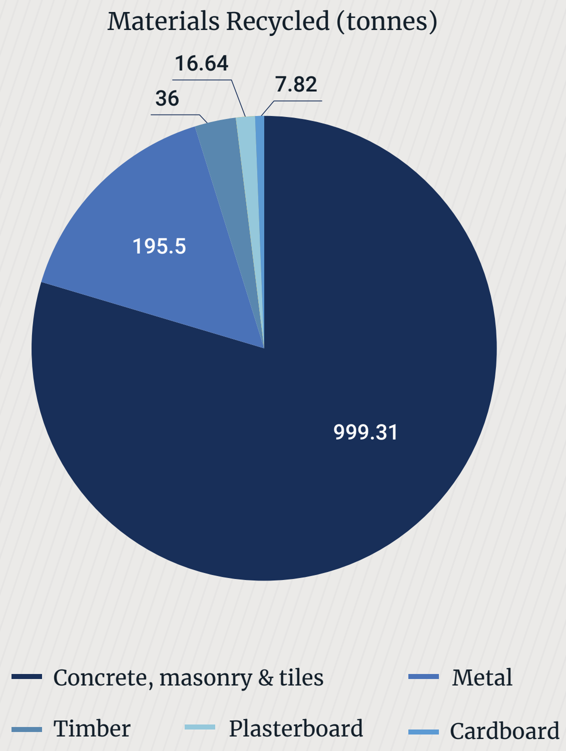
Operational Waste Performance Summary*

Metric	FY22
General waste (tonnes)	156.8
Total recycling (tonnes)	76.1
Total waste generated (tonnes)	232.8
Total diversion from landfill (%)	33%

*Refer to Appendix 6: Environmental Data Notes for explanatory notes

Demolition and Construction Waste Performance – WS2





FY23 Waste Targets

- Together with our contracted property managers, reduce tenant waste levels on new FY22 baseline through education programs.
- Put in place data collection mechanisms for refurbishment waste.

Focus on WS2

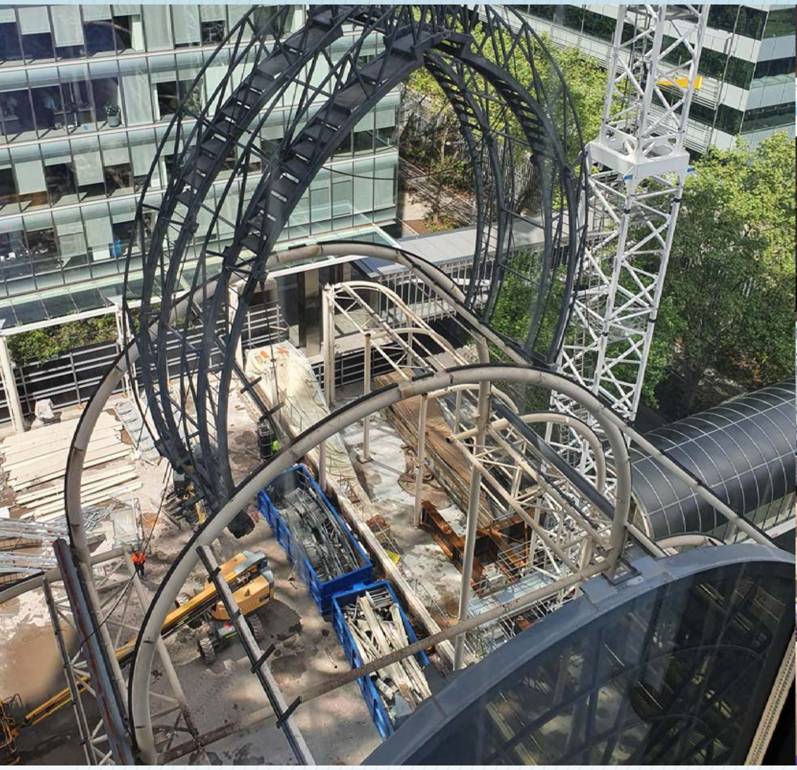
- ✓ 97.1% waste recycled*
- ✓ 1,255.27 tonnes waste recycled*

*To 30 June 2022

Case Study:
Embodied carbon focus at WS2

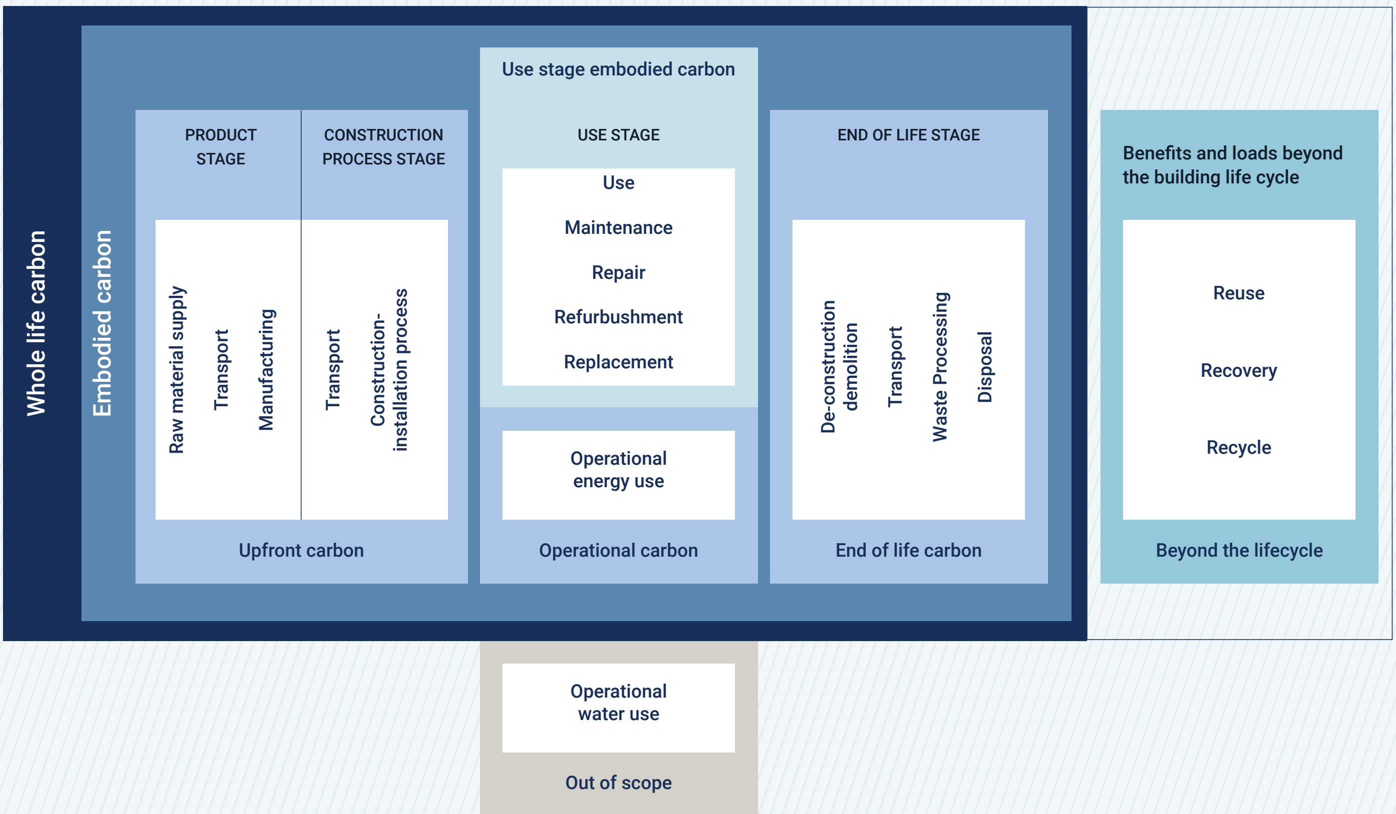
The WS2 building development in Perth is the first new construction that GDI has undertaken. The development has prioritised the environment throughout, ensuring that the Global Warming Potential (GWP) is minimised and results in a step change improvement from current industry practice.

We have gone beyond carbon minimisation during the building's operational phase to focus heavily on genuinely reducing embodied carbon in the design and construction phases through adopting an adaptive reuse model.



Embodied Carbon

Embodied carbon in the built environment refers to the carbon emissions that are associated with materials and construction processes throughout the whole lifecycle of the building. The diagram below shows the activities that contribute to carbon emissions within a typical building lifecycle.



Adapted from: Bringing embodied carbon upfront – Coordinated action for the building and construction sector to tackle embodied carbon, World Green Building Council (2019) p.5

Lower carbon approaches in WS2

The following activities were identified as strategies to reduce the embodied carbon in WS2:

- Use of an **existing concrete carpark structure** from the adjoining Westralia Square – owned by GDI. WS2 borrows structural support from the existing concrete carpark structure rather than the construction of new concrete support. Structure alone can represent 50% of life-cycle carbon arising during supply and construction (Walters, 2022).
- Sharing of **spare thermal capacity** with the Westralia Square building (owned by GDI), negating the need for an additional central boiler and chiller plant
- Use of **timber and steel** in construction rather than concrete and steel that would be used in a standard building. We have replaced as much concrete as possible with cross-laminated timber (CLT). Timber is unique as a building material as it enables the permanent capture of carbon and provides high performance thermal conductivity and insulation.
- Expansive use of **natural stone** in foyer flooring which has less embodied carbon than traditional ceramic tiles.

Together, these factors have driven an effective embodied carbon reduction of around 80% when compared to the construction of an equivalent contemporary reinforced concrete building. This equates to a GWP reduction of approximately 7 million kg of carbon emissions over the 60 year building life.

Life Cycle Assessment*

As part of the WS2 design process, GDI appointed external consultants to undertake a Life Cycle Assessment (LCA) to compare and profile the environmental performance between WS2 and a contemporary building using concrete and standard infrastructure. The assessment included all of the upstream and downstream processes needed to provide the primary function of the structure from construction, maintenance, operation, demolition and disposal. The study showed that the current construction of WS2 across the whole life cycle will see a 22% reduction in GWP across its life span.

	Global Warming Potential (Kg CO_2e over 60 years)		Global Warming Potential (Kg CO_2e per annum)		
Activity	**Scenario 1 (As built)****	**Scenario 2 (Business as usual)*****	**Scenario 1 (As built)***	**Scenario 2 (Business as usual)****	**% Difference**
Product Stage	1,604,621.47	9,398,789.59	26,743.69	156,646.49	83%
Transport of equipment and materials	323,379.26	761,152.10	5,389.65	12,685.87	58%
Construction	385,204.64	273,596.08	6,420.08	4,559.93	-41%
Maintenance and repair	58,556.44	59,854.79	975.94	997.58	2%
Replacement	2,264,633.81	4,091,610.96	37,743.90	68,193.52	45%
Operational energy use	29,143,859.73	29,143,859.73	485,731.00	485,731.00	0%
Transport of waste offsite	79,194.21	675,620.16	1,319.90	11,260.34	88%
Disposal	685,189.81	234,371.42	11,419.83	3,906.19	-192%
Closed loop recycling	-487,866.77	-705,124.38	-8,131.11	-11,752.07	31%
Total (GWP)	**34,062,859.99**	**43,934,910.17**	**567,714.33**	**732,248.50**	**22%**

*Most elements of the LCA have met the requirements of the following standards: EN15978:2011 Sustainability of Construction Works – Assessment of Environmental Performance of Buildings, ISO 14040: 2006 – Lifecycle Assessment – Principles and framework and ISO14044: 2006 Environmental Management – Lifecycle Assessment – Requirements and guidelines, however, some deviations are present in the accuracy of data collection due to the early timing of the study

**Scenario 1 (As built): Cross laminated timber and steel building with strengthening to existing foundation, retaining existing basement and utilising existing central boiler and chiller plant from WS1 building

*** Scenario 2 (Business as usual): Concrete and steel building, demolish and rebuild foundation and basement and include new central boiler and chiller plant from WS1 building

Establishing Water Efficiencies

Australia has frequently seen cycles of severe droughts and floods, raising concerns about the security of its water supply and highlighting the need to conserve water.

All of our assets are situated in urban areas, where municipal water companies provide potable and non-potable water. Potable water is used in tenant kitchens and bathrooms, and non-potable water for air conditioning and gardening.

Water effluent is transported by regular main sewers managed by the relevant water authority, and neither our tenant profile nor the overall water usage of the building indicates any risks related to the disposal of effluent.

Water loss and wastage in in commercial buildings can also have significant capital cost implications. Causes of water loss and wastage can be attributed to water leaks from cooling towers; poorly designed and operated HVAC systems; excessive building heat loads; poorly designed hydraulic systems in water pumping and pressure jacking systems, and poorly maintained amenities (Sydney Water Corporation, 2007).

How we manage water

We place a high priority on water efficiency throughout our buildings. GDI's responsibility for water conservation is twofold: to ensure that we maintain water efficiencies at the base building level and to enable our tenants to reduce their own water use by making certain that we use the most water-efficient alternatives when upgrading outdated fixtures and appliances, such as waterless urinals and 5- or 6-star WELS-rated water-efficient appliances.

Under GDI's directive, it is the responsibility of our contracted facilities managers to ensure whole of building water efficiencies. We have less control over how our tenants use water in their leased space.

Through our utility monitoring programme, we measure, review and take action to improve our water performance.

This is done through regular maintenance activities at both the base building level and throughout tenant offices, investing in efficient technologies, and implementing water reduction technologies.

Water leaks are repaired after being identified by the property management and facility manager during their routine monitoring and inspection. Modern air conditioning systems replace less water-efficient alternatives.

Water supply and efficiency are managed across the whole asset portfolio by our contracted property and facilities managers.

Our commitments to ensuring water efficiency in our buildings are outlined in our Environment Policy and Sustainable Procurement Policy.

Water Efficiency Activities FY22

A range of water efficiency measures were introduced across the eight building assets under our operational control during the reporting year.

Facility	Activity
Whole of building	Documentation of water metering network to allocate and track water consumption
	Regular inspection of main water meters
	Monthly water meter readings
Amenities	Aerators installed on taps
	Regular inspection of toilets and common area kitchens for leaks
	Installation of automatic flushmaster sensors for urinals, reducing water discharge from 9L to 3-5L at two assets
	Toilet system flushers changed from 9L to 5L of water per flush at two assets
	Dual flush toilets installed to high rise floors at one asset
	Replacement of 32 toilet cisterns with 9/4L water flush replaced with new 4.5/3L water flush at one asset
	Replacement of 12 urinal 3L flush with 1.5L water flush at one asset
Hydraulic systems	Introduction of a preventative maintenance program for hydraulics services (RPZ, pumps, water tanks, urinals, temperature valves) at three assets
	Compiled hydraulic services fitout guidelines for tenants specifying all tenant fit out works must install 6 star WELS rated products and fittings
Cooling towers	Monthly cooling tower meter readings and meter inspections
Irrigation	Gardens planted out with low watering plants and mulch at one asset

Stakeholder Engagement on Water

We regularly engage with our contracted external environmental management consultants, property and facility managers regarding water performance and actions taken to reduce water consumption across our assets.

Three of our assets, managed by one property manager, have a dedicated tenant education program for water saving. The program is managed by the property manager under the directive of GDI.

FY23: Water Targets

- Continuous reduction of whole of building water use from FY22 through maintenance activities and technology improvements
- Achieve the following NABERS Water Rating targets:
  - Westralia Square, Perth: 3.5 Star
  - 197 St Georges Tce, Perth: 4 Star
  - 1 Adelaide Tce, Perth: 3.5 Star
  - 5 Mill St, Perth: 4 Star
  - 235 Stanley St, Townsville: 4.5 Star

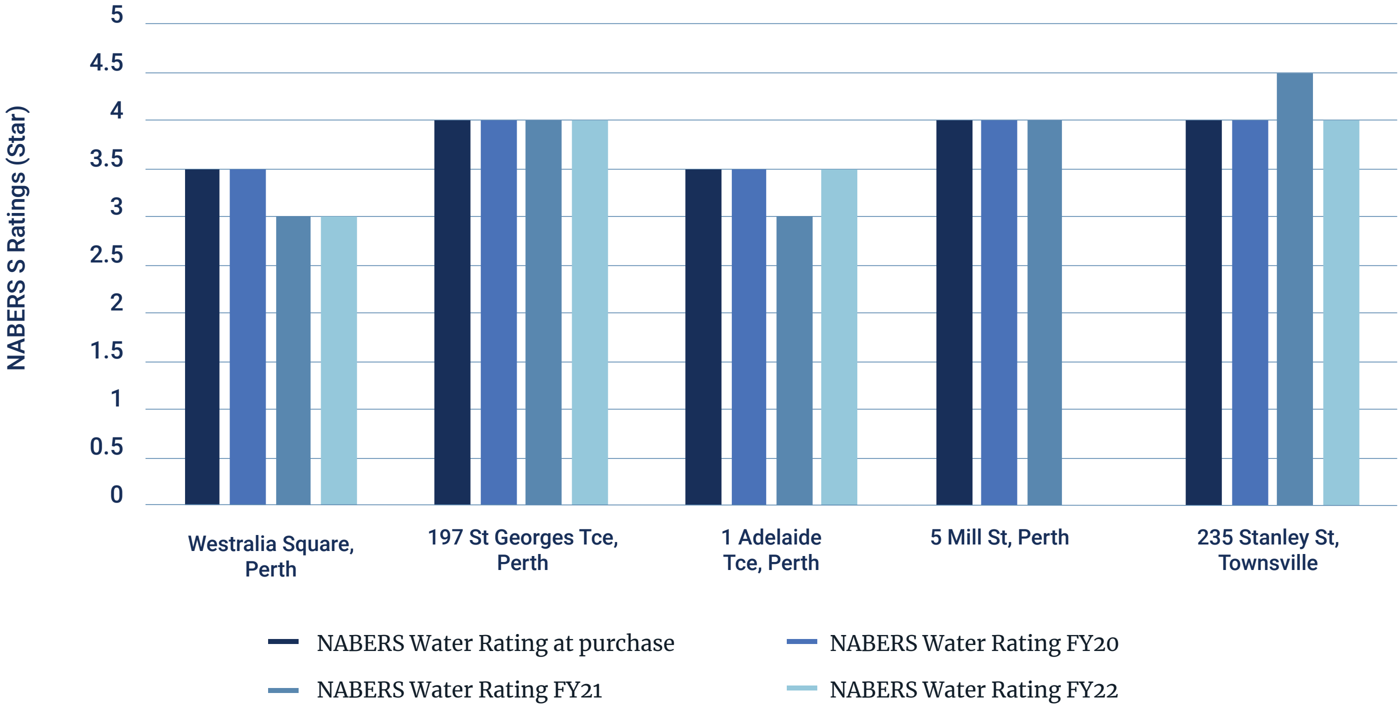
Focus on WS2

✓ 3.5 Star NABERS Water

NABERS Water Rating

Two of our buildings have experienced a reduction in NABERS water performance and one asset has experienced an increase in NABERS water performance.

NABERS Water Performance*



*Refer to Appendix 6: Environmental Data Notes for explanatory notes

Water Performance Summary*

Absolute						Like for Like*			Baseline Comparison*		
Metric	FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
Net Lettable Area – Operationally Controlled	89,144	151,789	151,789	156,714	133,879	128,954	128,954	0%	151,789	133,879	-12%
Water (m^3)											
Total water consumption	49,432	92,715	94,218	79,702	63,584	60,684	63,584	5%	94,218.29	63,583.73	-33%
Water intensity (m^3/m^2)	0.55	0.61	0.62	0.53	0.49	0.47	0.49	5%	0.62	0.49	-21%

*Refer to Appendix 6: Environmental Data Notes for explanatory notes

Safe and Healthy Buildings

Safe and Healthy Buildings

Building design plays an important role in how it impacts human health, which is an important measure of sustainability.

Air quality, lighting, thermal comfort, ventilation, choice of materials used in refurbishment and fitout can have a marked impact on tenant health, satisfaction, wellbeing and staff productivity.

The properties in GDI's portfolio are centrally located and close to public transportation. End of trip facilities have either been improved or built since acquisition. Access to public transport and these amenities allow tenants the choice to get to work via an environmentally sustainable mode of transport.

Our new WS2 building, currently under construction, has been designed with a strong focus on environmental and tenant health and safety.

Responsibility for the safety and health impacts of our existing buildings rests upon GDI in the first instance as we communicate building safety and health expectations to our contracted property and facilities managers who are tasked with maintenance and improvements in our buildings.

While GDI is committed to ensuring safe and healthy buildings for our tenants, it has not been formalised in policy form.

NABERS Indoor Environment Rating

The NABERS Indoor Environment Rating enables GDI to quantify and understand the environmental performance and health impacts of our office buildings.

The following conditions are tested through the rating:

Indoor air quality

- Ventilation efficiency and pollutant levels
- Maintenance and cleaning of building air systems

Thermal services

- Temperature, mean radiant temperature, relative humidity, and air velocity

Acoustic comfort

- The building's ability to reduce external noise and the noise levels within the leased space

Lighting

- Daylight maximisation while minimising reflection and glare

Office layout

- Spatial configurations of walls, partitions, furniture, and equipment in relation to fixed elements such as windows and heating, ventilation, and air conditioning systems.

NABERS Indoor Air Quality Activities FY22

Two GDI properties have NABERS Indoor Air Quality ratings: Westralia Square and 197 St Georges Tce, both located in Perth. To maintain these ratings, the following activities were undertaken in FY22:

Activity	Westralia Square NABERS Indoor Environment Rating 4.5	197 St Georges Tce NABERS Indoor Environment Rating 5.5
Indoor Air Quality monitoring and management programme		
Measure critical IAQ parameters for health and HVAC performance – 6 monthly audits	✓	–
Measures critical IAQ parameters for health and HVAC performance – annual audit	–	✓
Identify floors that require additional ventilation	✓	✓
100% ventilation effectiveness score	✓	
Measure outside air quality and identify pollution issues	✓	✓
Mould and moisture assessment in air conditioning and HVAC systems	✓	✓
Ventilation assessment of air conditioning and HVAC systems	✓	✓
Reference check for continuous IAQ building sensors	✓	✓
BMS continually monitors indoor carbon dioxide concentrations and adjusts outside air dilution rates based on concentrations and space occupancy levels	✓	✓
Communication: specific ventilation reviews provided for tenants upon request (especially COVID-19 related queries. A database of IAQ has been developed for the building allowing for assessment of IAQ over time pre- and post- COVID occupancies	✓	–
Filters upgraded from bag filters to multi-pocket filters with a higher particulate efficiency	✓	✓
Upgrade programme of original supply air fans to plug fans	–	✓

Air

Tenant comfort and well-being can be significantly impacted by poor indoor air quality. Optimising measures of air quality include efficient heating, ventilation and air conditioning (HVAC) systems.

When acquiring an asset, as part of our focus on environmental efficiency, we assess all HVAC systems. If necessary, systems are replaced or updated to more contemporary and efficient models.

Through our utility monitoring programme, contracted property managers organise routine HVAC system maintenance under GDI's directive. This mitigates the possible negative health impacts of older systems on the indoor environment and tenant health.

We have installed and maintained ultraviolet light air sanitising in the Townsville asset air conditioning supply to address mould risks.

Lighting

GDI office buildings generally have four sides of natural light, which is regarded as a significant factor in employee health, comfort, and productivity. Responsibility for appropriate lighting installation is dependent upon the operational control of the activity undertaken.

For example, if GDI undertakes a tenant fitout, then we ensure that the Australian standards for lighting are adhered to. This standard specifies which lux levels should be used to ensure comfortable and functional lighting conditions.

In cases where the tenant undertakes their own fitout, it is their own responsibility to choose how they design their lighting activity to ensure tenant health

Materials

The selection of materials for refurbishments and fitouts is made with consideration for human health and the environment. The preference of GDI is to employ environmentally sustainable materials, which may include products certified by a recognised sustainability certification programme.

When choosing interior materials such as walls, wall and floor finishes, and ceilings, we favour those with minimal volatile organic compounds (VOC).

Our Sustainable Procurement Policy is communicated to GDI's Tier 1 suppliers of goods and services, such as building property managers and contractors, with a structured process to guide the selection of environmentally sustainable materials for the refurbishment of our buildings.

Stakeholder Engagement on Safe and Healthy Buildings

In FY22, we engaged with our property managers on the introduction of additional work health and safety reviews and monitoring of all operationally controlled assets. Reporting of incidents and actions taken, together with regular updates via reports on building and workplace risks are communicated by property managers to GDI.

In FY23 our fitout guides will be updated with the company's Sustainable Procurement Policy to ensure that our environmental and social procurement expectations are met. We will actively seek adherence to the policy by engaging with tenants and contractors to provide evidence of sustainable procurement.

FY23 Safe and Healthy Buildings Targets

- Update fitout guides with Sustainable Procurement Policy.

Focus on WS2

- ✓ 5 Star NABERS Air Quality
- ✓ End of trip facilities
- ✓ Augmented industry standard filtration system to a system more aligned with medical grade standards
- ✓ Contactless access controls throughout and antibacterial surfaces in other strategic locations
- ✓ Ultraviolet air treatment in mechanical systems
- ✓ Preconstructed facade louvres installed for future connection by tenants to outside air (floor by floor on request)

Working at GDI

We are committed to developing and maintaining a positive work culture at GDI. This means encouraging diversity by recognising the value that individual differences can bring to work, as well as providing attractive working conditions for all employees.

As at 30 June 2022, GDI had a strong small team of 12 full time employees, and one additional contractor. Although the company is listed in the ASX300, the business is capital, rather than people intensive, and we experience very little turnover of staff.

Non-discrimination and Diversity

Due to our low staff turnover, all senior executives and asset managers that have been with GDI for an extended period of time are male, and no further positions have become available for which a female candidate could apply.

This is also reflected in GDI's Board diversity. We have not met Recommendation 1.5 of the ASX Corporate Governance Principles and Recommendations (4th ed.) to set an objective of achieving at least 30% of each gender. Our Chair, Gina Anderson is the only female Board representative, with the remaining four Independent Non-Executive Directors all males. Our next Board renewals process will occur in FY23. Given our small Board size, it is unlikely that we will meet the 30% target.

We have formalised our commitment to non-discrimination and diversity through our Diversity Policy and Code of Conduct. Our Maternity Leave Policy provides for paid maternity leave for a two month period. We always endeavour to return the employee to the same or equal job held prior to leaving, but do not guarantee a return to the identical job. However, the employee will never suffer a loss in remuneration. Should any of our male employees require leave for the birth of a child, then an equivalent Paternity Leave Policy will be implemented. While all employees are entitled to parental leave, no employees took parental leave during the reporting period.

There were no incidents of discrimination reported in FY22.

Employment conditions

Flexible working arrangements will be formalised in a Work from Home Policy in FY23, although we have always employed flexible work practices, even prior to the onset of the COVID-19 pandemic. A good work environment is based on trust, and we trust our employees to get the job done while enjoying flexible work arrangements.

An example of this is one of our employees that is currently working remotely from Nepal, so he can continue to work while simultaneously caring for his elderly parents.

GDI actively encourages individual and societal development by employee efforts that improve personal wellbeing, realise human potential, and uphold social justice values in the community in which we live and work. Through our Donations Policy, we encourage employees to donate to and engage in philanthropic organisations and allow them to take up to two additional working days of leave to fulfil their charity commitments.

We may also opt to support 'good causes' and organisations sponsored by individual employees, in some situations by supplementing existing employee fundraising efforts up to a predetermined sum.

Our Employees

As at 30 June 2022, we had 10 staff located in our Sydney office, and two in our Perth office. All of our employees are on full-time contracts and are not covered by collective bargaining agreements.

	Female	Male
Senior Executives	–	5
Asset Managers & Analysts	–	2
Accounts	4	–
Office Managers	1	–

Addressing Modern Slavery

GDI recognises that it has a role and a responsibility to generate awareness and take steps to ensure that it upholds human rights, as well as minimising the risk of modern slavery practices within its operations and supply chains.

Our approach to modern slavery has been developed at a group level and is applicable to all entities that it owns or controls. Our commitment to our investors and other stakeholders is to take proactive measures to prevent modern slavery in our operations and to comply with all applicable laws.

We submitted our first Modern Slavery Statement in FY22. As our annual revenue is less than $100 million, we are not required to prepare a statement or perform any of the actions required for reporting, such as assessing the risks of modern slavery in our supply chain, implementing measures to mitigate those risks, and evaluating the effectiveness of those measures.

In practise, we have always undertaken these tasks, some with Board or Committee approval as part of our regular risk assessment, and some informally. Preparing this statement has illuminated gaps in our performance, and we intend to considerably strengthen the depth and integrity of our measures to monitor and mitigate the risks of modern slavery in our supply chains during FY23.

Training on modern slavery and our Sustainable Procurement Policy was conducted for GDI's asset managers and executive team during FY22. The training will be extended to all staff in FY23.

In FY22 a committee composed of key management staff commenced a risk assessment of modern slavery risks in our supply chain by dividing suppliers into:

- **Tier 1** – Directly contracted by GDI to supply goods and services to GDI
- **Tier 2** – Suppliers subcontracted by a GDI Tier 1 supplier

Although service providers such as cleaners, security, and maintenance contractors are typically hired by us, the owner, our property managers oversee these responsibilities. In our first year of voluntarily reporting on modern slavery, we classified these service providers as Tier 2 suppliers and property managers as Tier 1 suppliers.

All eight Tier 1 suppliers were categorised by spend and by the goods or services provided, with a particular emphasis on those with a procurement spend of over $1 million and those assessed to have a greater risk of exposure to modern slavery. In the case of the property managers, the money spent on cleaning, security, and maintenance contracts was included in their procurement expenses.

Following this evaluation, all eight Tier 1 suppliers were identified as having a risk of exposure to modern slavery.

GDI took a collaborative approach and worked with these suppliers to ensure that they are aware of the risks within their business and ways to approach the risks. No new suppliers fell within the Tier 1 supplier categories.

A key activity that will be undertaken in FY23 will be to expand the scope of Tier 1 suppliers – those that are directly contracted by GDI to supply goods and services – to include a range of suppliers currently categorised as Tier 2 suppliers – those vendors subcontracted by a Tier 1 supplier.

Read the Modern Slavery Statement.

Our Supply Chain

GDI's Tier 1 suppliers provide us with the following goods and services:

Activity	Goods or services provided
Refurbishments and fitouts	Outsourced refurbishment and fitouts contractors
	Outsourced waste disposal and recycling contractors
	Interiors components such as wall and floor finishes
	Fitout equipment such as furniture and cabling
	Mechanical and other building services suppliers
Building Services	Outsourced property and facility management
	Outsourced cleaning services
	Other outsourced routine maintenance contracts
	Electricity supply
	Lift maintenance
	Air conditioning maintenance
	Insurance provision

FY23 Modern Slavery targets

- Train all staff on modern slavery
- Expand the scope of Tier 1 suppliers for modern slavery assessment

ESG Governance

GDI's attention to incorporating environmental, social and governance (ESG) as an overarching business strategy has been a key point of focus in FY22. While we consider that the company has always focused on the 'E' and the 'S' of ESG, we are now formalising our approach and supporting ESG governance mechanisms.

We have amended the following policies and charters to formalise our commitment to ESG across the business:

- Code of Conduct
- Corporate Governance Statement
- Board Charter
- Audit, Risk and Compliance Charter
- Nomination and Remuneration Committee Charter
- Risk Management Policy
- Security Communication Policy
- Sustainable Procurement Policy

In addition, in FY22, we voluntarily published GDI's inaugural Modern Slavery Statement and will publish our first Human Rights Policy in FY23.

Addressing Responsible Business Conduct

GDI's Code of Conduct, charters, and policies collectively address the company's commitments for responsible business conduct. Our Code of Conduct and Risk Management Policy specifically address due diligence mechanisms and it is implied throughout other policies. GDI's Environment Policy does not specifically include the precautionary principle, however, the sentiment is evident in the policy.

GDI's new Human Rights Policy will reference the International Bill of Human Rights (comprised of the Universal Declaration on Human Rights; International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights); the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the United Nation's Guiding Principles on Business and Human Rights.

GDI's Sustainable Procurement Policy also addresses human rights throughout our own activities and the expectations that we have of our suppliers. Our Modern Slavery Statement outlines the company's approach to ensuring responsible business conduct by adopting a focus on a socially sustainable supply chain.

All policies have been approved by the Board.

GDI's policy commitments are emailed to all employees on induction, and modern slavery training has been conducted with our Board, Asset Manager and Head of Property, contracted property managers and the construction company contracted to build WS2. Broader modern slavery training will be conducted for the remainder of our employees in FY23.

Our Sustainable Procurement Policy has been presented to GDI staff, and all Tier-1 suppliers have been advised of the policy in person.

Aside from GDI's Code of Conduct, policies related to responsible business conduct have not been written into existing contracts with third parties as these older contracts pre-date our commitments. However, any new service providers are made aware of these policies and asked to acknowledge them.

Managing ESG Impacts

Through the effects of extreme weather events, climate risk can pose a substantial threat to the property industry.

Although none of the assets under our operational control are officially situated inside a 100-year flood zone, the city of Townsville in Queensland, where one of our assets is located, experienced flooding in 2019.

Our top priority for GDI and its assets is to avoid and reduce the carbon footprint generated by our portfolio.

We believe that we have an excellent track record in this regard, either as a result of the lower embodied carbon resulting from the construction of the WS2 lightweight steel and timber building or as a result of our investments in reducing the environmental footprint of existing buildings. The NABERS Energy Rating is the primary measurement of success in this area which is supported by regular reporting of energy and emissions data.

After we have maximised a property's potential, we will work with our tenants to evaluate GreenPower and possibly carbon credits. As minimising the actual carbon footprint of our buildings remains our top focus, we are hesitant to commit to deadlines for achieving net zero when some of these decisions are made in partnership with our tenants.

We have a whole of company approach to managing our environmental and social impacts. With our traditional focus on environmental efficiencies the Board has delegated responsibility for environmental impacts to our Head of Development, Head of Property, and our asset managers. The wellbeing of people is delegated to the Executive Management team, and with the company's stronger focus in FY22 on ESG, ESG related governance matters are delegated to our Chief Financial Officer and Joint Company Secretary.

The Executive Management team provides reports to the Board at least every two months, and each month, members of the Executive Management team are invited to the Board meetings to report on ESG matters, including climate risk. ESG is a standard item at each Board meeting and climate related responsibilities are a whole of organisation responsibility.

The Board participates in the ESG Report materiality assessment when conducted and provides input into the final ESG Report draft, prior to signing off on the document.

In addition, every two months, an ESG related topic has been presented to the Board by external consultants. For example, in FY22 an external consultant presented to the Board on pathways to achieve net-zero.

Climate related risks and potential financial impacts are assessed within GDI's enterprise wide risk management framework.

During the reporting year there were no instances of non-compliance with any laws or regulations.

Task Force on Climate Related Financial Disclosures (TCFD)

FY22 marks the first year that we have formally reported against the TCFD disclosures. This has served primarily as a gap analysis so that the company can determine a baseline for climate risk related reporting and plan for improvements in future TCFD reporting.

Our focus on establishing energy efficiencies throughout our owned and operationally controlled assets means that we have a strong grasp on the environmental performance of our assets and have reported on our performance in previous ESG reports.

In FY22, we have strengthened our focus on the climate impacts of our operations, although primarily from an opportunity rather than a risk focus. For example, the embodied carbon opportunities in our WS2 construction and ongoing energy and emissions efficiencies in our existing buildings. We have not yet defined short, medium or long term timeframes within which to assess our climate related risks and opportunities, however, will begin this assessment in FY23.

Although we have made a significant financial investment in the WS2 building to ensure that the embodied carbon associated in the construction and operational phase, in addition to operational financial investments into maintaining energy efficiencies in our existing buildings, we have not yet formally included climate risk as part of our financial planning or investment strategies, even though the potential financial impacts of climate risk are assessed within our risk management framework.

We understand that we have work to do in undertaking a more sophisticated approach to identifying climate related risks and will undertake an initial qualitative review of our climate risks in FY23. Additional climate risks identified through this exercise will be included in the company risk register.

No timeline has yet been set for quantitative climate risk scenario modelling although this will be undertaken in future years.

FY23 TCFD Targets

- Identify qualitative climate related risks for input into risk register

Our Board and Committees

The boards of GDI Property Group Limited and GDI Funds Management Limited share common membership. The Nomination and Remuneration Committee is one of two sub-committees of the Board and the second is the Audit, Risk and Compliance Committee. The Board is responsible for overseeing the management of GDI's ESG commitments.

The Board helps to set GDI's strategy with execution tasked to the Executive Management team. In addition, the Board oversees due diligence from inception of a plan to execution. Should they identify any shortcomings in due diligence, recommendations are made for a proposed focus area to the Executive Management team. Monthly reports are made by the Executive Management team to the Board.

There has been no change in Board composition since 2017, which comprises our Chair, Gina Anderson, who is not a senior executive at GDI. Further information on the composition of the Board is available in GDI's FY22 Annual Report.

Nomination and Selection of the Board and Committees

Our Nomination and Remuneration Committee Charter describes how the Board and its committees are nominated and selected. Our Corporate Governance Statement addresses how diversity, independence and competencies are taken into account in the nomination process. Shareholder views are sought in the nomination process.

To date, our Board Skills matrix has not addressed the ESG skills of Board directors. ESG knowledge on various related topics are presented to the Board by external consultants.

A self-assessment of performance is undertaken by each Board member every two years, although the evaluation does not currently include ESG factors.

Conflicts of Interest

GDI's Conflicts of Interest Policy is the formal mechanism to ensure that conflicts of interest are prevented and mitigated, any instances of which are reported in the company's Annual and Financial Report.

Communication of critical concerns and grievance mechanisms

GDI's Whistleblower Policy is the formal mechanism for internal and external stakeholders to refer to when communicating critical concerns and grievances. The first point of call is our Company Secretary, and the matter is escalated to the Board if necessary. Given our small team, employees have easy access to the Board via informal communication.

Stakeholders that are included in the design, review operation and improvement of these mechanisms are the Board and Executive Management team.

Members of the Board make themselves available to shareholders, providing an alternative avenue for this group to communicate criticisms. GDI's Annual General Meeting (AGM) is attended by the Board, providing interested parties with access to the Board.

For the management of complaints, we have put in place strong procedures. Initial actions include acknowledging the complaint by entering it in the complaints register, conducting an investigation, determining what action has to be taken, and alerting the complainant of the decision reached as well as any potential resolutions or additional channels for appeal.

A complaint can be made to the Australian Financial Complaints Authority (AFCA) if a situation has not been resolved to the complainant's satisfaction. Given the relatively non-controversial nature of our business, we receive minimal complaints and so view our grievance mechanisms as effective and fit for purpose.

In the case of environmental concern of a tenant should a building not be meeting its agreed environmental standards, then it is dealt with in accordance with the lease, particularly when the lease has a green clause on a 'best endeavours' basis to maintain the environmental performance of the asset.

During FY22, there were no critical concerns communicated to the Board, nor instances of non-compliances with laws and regulations, or fines.

Anti-Corruption

Corruption can occur in the financial services sector and can result in significant negative impacts such as misallocation of investments, facilitation payments and breaking the law. Corruption can take on many forms such as bribery, fraud, the offer or receipt of gifts and other actions that can result in a breach of trust and significant reputational damage.

Fraud, Bribery and/or corruption in all forms are behaviours that are do not align with GDI's values and culture. We are actively committed to preventing fraud, bribery and corrupt conduct throughout our business and through our business relationships.

Although GDI's risk exposure to corruption is low, the company places corruption considerations as a high priority on the company risk register within the company's regulatory requirements.

Our Fraud, Bribery and Corruption Prevention Policy outlines our expectations in this area, and addresses our approach to reporting, prevention, investigation, management and consequences of corrupt conduct. It also addresses GDI's approach to gifts, facilitation of payments and donations.

The policy applies to all GDI employees, contractors and Directors in relation to their GDI employment and is supported in the governance framework through:

- Code of Conduct
- Conflicts of Interest Policy
- GDI's Anti-Money Laundering and Counter-Terrorism Financing Program
- Risk Management Policy & Framework
- Continuous Disclosure Policy
- Securityholder Communication Policy
- Securities Trading Policy
- Whistleblower Policy

All policies are communicated to employees upon induction.

The Audit Risk and Compliance Committee is responsible for ensuring that an appropriate approach to preventing fraud, bribery, and corruption is in place and for conducting frequent reviews of the policy.

The Company Secretary is responsible for establishing a fraud, bribery, and corruption prevention framework, which includes the following:

- Regular review and communication of the policy
- Development and maintenance of a fraud, bribery, and corruption prevention plan
- Maintenance of appropriate protection arrangements, and
- Staff training on how to recognise and respond to any instance (perceived or actual) of fraud, bribery, or corruption.

Staff receive training on anti-corruption, however, the Board has not received specific training on anti-corruption. We will roll out anti-corruption training to the Board in FY23.

In consultation with senior management and the GDI Board, the Company Secretary is also accountable for coordinating investigations into claims of fraud, bribery, and corruption.

Managers are responsible for ensuring that employees in their team are aware of and comply with the policy and related policies and procedures.

In addition, our Outsourcing Policy outlines GDI's processes in appointing suppliers, including the number of tenders distributed.

No incidents of corruption were reported in FY22.

FY23 Anti-corruption Targets

- Design and deliver customised anti-corruption training to the Board

Remuneration

GDI's Nomination and Remuneration Committee Charter outlines the company's remuneration procedures. Each of our Executive Management team has been assigned specific environmental KPIs as part of their annual remuneration. Social metrics are included as part of the company's Short Term Incentive (STI) salary component.

Shareholders are invited to vote on remuneration matters at each Annual General Meeting. At our AGM held in November 2021, GDI's Remuneration Report was voted on and carried with the following results:

- For: 97.18%
- Against: 2.61%
- Discretionary: 0.21%

In FY22, we did not use remuneration consultants to determine remuneration.

Further information is available in our Nomination and Remuneration Committee Charter.

Annual total compensation ratio

The highest paid individual at GDI is the Managing Director. His base salary is 4.6 times the median salary of all other employees. The Managing Director's total compensation is heavily weighted to both short-term (STI) and long-term incentives (LTI) that align his renumeration to that of our securityholders and encourages entrepreneurism and long-term financial soundness.

When his annual STI and LTI grants are taken into account, the Managing Director's renumeration is 7.3 times the medium remuneration of all other employees. The Managing Director's FY22 STI award was paid in performance rights which vest three years from grant date where the principal condition is continued employment. The LTI award is also granted as performance rights that are subject to two performance tests three years from the grant date, with half the performance rights being subject to one test, and the other half the other.

In FY22, no LTI performance rights that were granted in FY19 vested.

The above ratios do not include annual or long service leave accruals, or refunds as part of GDI's health and wellbeing programme.

The above ratios do not align to the accounting treatment of any STI or LTI grant, which is expensed over four years, the year to which it relates and the three vesting years.

The Managing Director has not had an increase in his base salary since GDI's Initial Public Offer of securities in late 2013. During that time, some employee's salaries have increased by over 100%.

Membership of associations

GDI is a paid member of the Property Council of Australia and Australian Financial Complaints Authority and does not hold a significant role in either organisation.

Stakeholder Engagement

As part of our commitment to open and transparent communication, we communicate regularly with our critical stakeholder groups. GDI's critical stakeholder groups are those that have a significant impact on the company being able to operate effectively and efficiently.

Having a very small internal team means that communication with these groups is mainly focused upon ensuring efficient day to day operations unless a significant event occurs.

Our critical stakeholder groups and purpose of engagement are as follows:

Capital Providers

Investors in our listed properties and unlisted funds; banks and loan suppliers are examples of capital providers. GDI's business as an asset owner and fund manager would not exist without the support of this group. The purpose of engaging with this group is to provide them with timely, accurate, and balanced information regarding all significant strategic developments at GDI so that they can make informed investment decisions.

We undertake presentation of company information through one-way communication methods such as presentation of information in the company's notifications to the Australian Securities Exchange (ASX), Annual Report, ESG Report and media releases. More focused engagement is undertaken through our investor relations programme, which provides the opportunity for meaningful discussion between GDI and capital providers. This includes the Annual General Meeting, yearly and half yearly result briefings, personal meetings on request, and the opportunity to engage at broker sponsored conferences.

Tenants

Tenants are our clients and, as the lessees of our buildings, we are liable for their safety, satisfaction and well-being through the duration of their lease. GDI's engagement with tenants is mainly indirect as engagement is primarily undertaken through our contracted building property managers, who are obligated by contract to respond to daily requests from tenants. This is to ensure that tenants are receiving the services that they require. Should the need arise for a tenant engage directly with GDI, our asset managers are the first point of call. They then liaise with a senior executive at GDI, who may then escalate the conversation to GDI's managing director for resolution.

Employees and Board

GDI's employees and Board are critical stakeholders in the success of our company. As such, it's important that we share company strategy, successes and otherwise across the team. Regular engagement is straightforward due to our small team size and the strong relationships gained through the long tenure of our employees and Board. An open door policy is our informal way of addressing day to day topics with employees.

A minimum of eight Board meetings are held annually, with additional meetings called as needed, and formal property and asset management meetings are held every two weeks.

Marketing and Communications Compliance

Fair and responsible marketing communications helps our stakeholders make informed decisions about our business.

As a listed company on the ASX300 it is our responsibility to ensure that the information that we take out to market is correct. Audited annual financial reports prepared in accordance with the Corporations Act (2001) must be submitted to the Australian Securities and Investments Commission (ASIC).

Our Audit, Risk, and Compliance Committee (ARCC) controls compliance across the organisation, and quarterly reporting of complaints register items to the ARCC takes place. Training on insider trading and continuous disclosure takes place periodically.

Policies that outline GDI's commitment to compliance, including marketing and communications compliance are:

- Securities Trading Policy
- Shareholder Communications Policy and
- Continuous Disclosure Policy

These policies are reviewed periodically by the Board and amended as required.

In addition, although not regulatory, we abide by guidelines for the use of NABERS branding across portfolio assets under our operational control.

No breaches of compliance with product or service labelling in marketing and communications compliance occurred in FY22.

Glossary

Air handling unit (AHU): a device used to regulate and circulate air as part of a heating, ventilating, and air-conditioning system.

Asbestos: A naturally occurring and toxic mineral composed of soft and flexible fibres that are resistant to heat, electricity and corrosion, used in many building materials. Asbestos has been banned in Australia since 2003.

Australian Financial Complaints Authority (AFCA): A not for profit organisation that assists consumers and small businesses to reach agreements with financial firms about how to resolve their complaints.

Australian Securities and Investments Commission (ASIC): Australia's corporate, markets and financial services regulator.

Chiller: A component of an air conditioning system that removes heat from liquid via a vapour-compression or absorption refrigeration cycle.'

Circulating Water Pump (CW): a pump used in a thermal power plant that is critical for plant operation.

CO_2-e: Carbon dioxide equivalent.

CO_2e/m^2: Carbon dioxide equivalent per square metre.

Commercial Building Disclosure Programme: An Australian regulatory programme that requires energy efficiency information to be provided in most cases when commercial office space of 1000 square metres or more is offered for sale or lease.

Cooling tower: A structure designed to remove heat from a building by spraying water down through the tower to exchange heat into the inside of the building. Air comes in from the sides of the tower and passes through the falling water.

Embodied carbon: the carbon dioxide (CO_2) emissions associated with materials and construction processes throughout the whole lifecycle of a building or infrastructure. It includes any CO_2 created during the manufacturing of building materials (material extraction, transport to manufacturer, manufacturing), the transport of those materials to the job site, and the construction practices used.

End of trip facility: Designated places that provide people who cycle, jog, walk to work or exercise secure bicycle parking, locker facilities, showers and change rooms

EC fan (Electrically commuted fan): A fan that is more efficient compared to traditional AC induction motor technology.

Fitout: The process of making an interior space suitable for occupation, including provision of internal components such as wall linings, internal partition walls, floor coverings, ceilings, tiles and pipework.

Global Reporting Initiative (GRI): The Global Reporting Initiative (GRI) is an independent international not for profit organisation that has pioneered sustainability reporting since 1997. The organisation's GRI Sustainability Reporting Standards (GRI Standards) are the first and most widely adopted global standards for sustainability reporting.

GreenPower: GreenPower is the only Australian government-certified renewable energy scheme that enables energy customers to offset their electricity usage by purchasing electricity from certified renewable sources via their retailer.

GreenStar: Founded by Green Building Council of Australia in 2003, Green Star is an internationally recognised rating system setting the standard for healthy, resilient, positive buildings and places. The system was developed for the Australian environment.

Intergovernmental Panel on Climate Change (IPCC): Created in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP), the objective of the IPCC is to provide governments at all levels with scientific information that they can use to develop climate policies. IPCC reports are also a key input into international climate change negotiations.

KPI: Key Performance Indicator.

LED: Light emitting diode (LED) lighting products produce light approximately 90% more efficiently than incandescent light bulbs.

Life Cycle Assessment (LCA): a technique to assess environmental impacts associated with all the stages of a product's life from raw material extraction through materials processing, manufacture, distribution, use, repair and maintenance, and disposal or recycling.

m^3: cubic metre.

MJ/m^2: megajoule per square metre.

MWh: megawatt hour.

NABERS: NABERS (National Australian Built Environment Rating System) is a national Australian building performance rating for energy, water, indoor environment, and waste. The programme is managed by the NSW Department of Planning, Industry and Environment on behalf of the Federal, State and Territory governments of Australia.

Net Lettable Area (NLA): A measurement of the total occupiable floor space taken from the inside surfaces of the exterior walls and/or the mid-line of any shared walls and excludes areas such as common stair wells, toilets, lift lobbies and vertical service ducts.

Operational control: (An entity) with the ability to introduce and implement operating policies, health and safety policies, and/or environmental policies.

Property Council of Australia: The Property Council of Australia is an Australian national advocacy group representing property developers and property owners.

Refurbishment: The process of building improvement by cleaning, decorating and re-equipping. It may also include elements of retrofitting with the aim of making a building more energy efficient and sustainable.

Retrofit: The process of changing a building's systems or structure after its initial construction and occupation.

SASB: The Sustainability Accounting Standards Board (SASB) sets sustainability disclosure standards for financially material environmental, social and governance topics that are industry-specific and tied to the concept of materiality to investors.

Scope 1 emissions: The emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions.

Scope 2 emissions: The emissions released to the atmosphere from the indirect consumption of an energy commodity

Stripout: The demolition of the majority of internal components within a building including wall linings, internal partition walls, floor coverings, ceilings, tiles, and pipework.

Task Force on Climate Related Financial Disclosures (TCFD): An independent body created in the United States by The Financial Stability Board tasked with developing recommendations for more effective climate-related disclosures.

Tier 1 supplier: A supplier that provides their own products and services directly to the customer.

Variable Speed Drive (VSD): A drive connected to a pump or fan motor that is electrically connected between the switchboard and the motor. The VSD provides greater control of the electrical pump or fan motor, meaning that operation rates can be slowed down including at start up to reduce energy usage.

Volatile Organic Compounds (VOC): Potentially harmful carbon based chemicals that can evaporate at room temperature and affect indoor air quality.

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GDI Property Group

Appendix 1: GDI Property Portfolio

2022.

FY22 Environmental, Social and Governance (ESG) Report

The table below lists all GDI assets. Highlighted in blue are the assets that are owned and under GDI's operational control.

Property Address	State	Post Code	Country
1 Adelaide Terrace, Perth	WA	6004	Australia
16 Broadmeadow Rd, Broadmeadow	NSW	2292	Australia
5 & 13 Wood St, Bassendean	WA	6054	Australia
235 Stanley St, Townsville	QLD	4810	Australia
Mill Street Complex (197 St G, 1 and 5 Mill St)	WA	6000	Australia
Westralia Square (141 St Georges Terrace), Perth	WA	6000	Australia
6 Sunray Drive Innaloo	WA	6018	Australia
180 Hay Street, East Perth	WA	6004	Australia
7 Thurso Road, Myaree	WA	6154	Australia
5 Thurso Road, Myaree	WA	6154	Australia
15 Thurso Road, Myaree	WA	6154	Australia
166 Leach Hwy, Myaree	WA	6154	Australia
168 Leach Hwy, Myaree	WA	6154	Australia
170 Leach Hwy, Myaree	WA	6154	Australia
6 Lancaster Road, Wangara	WA	6065	Australia
10 Lancaster Road, Wangara	WA	6065	Australia
100 Broun Avenue, Embleton	WA	6062	Australia
101 Broun Avenue, Morley	WA	6062	Australia
104 Broun Avenue, Embleton	WA	6062	Australia
161 Great Eastern Hwy, Bellevue	WA	6056	Australia
163-169 Great Eastern Hwy, Bellevue	WA	6056	Australia
171 Great Eastern Hwy, Bellevue	WA	6056	Australia
188 Great Eastern Hwy, Mildand	WA	6056	Australia
192 Great Eastern Hwy, Midland	WA	6056	Australia
204 Great Eastern Hwy, Midland	WA	6056	Australia
204 Great Eastern Hwy, Midland	WA	6056	Australia
1900-1906 Albany Highway, Maddington	WA	6109	Australia
1910-1914 Albany Highway, Maddington	WA	6109	Australia
10 Market Street, Brisbane	QLD	4000	Australia
251 Adelaide Terrace, Perth	WA	6000	Australia
419-431 Murray Street, Perth	WA	6000	Australia
301-311 Wellington Street, Perth	WA	6000	Australia

Appendix 2: Energy performance by asset

Refer to Appendix 6: Environmental Data Notes for explanatory notes

Absolute						Like for Like*			Baseline Comparison*		
Metric	FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
Net Lettable Area – Operationally Controlled	89,144	151,789	151,789	156,714	133,879	128,954	128,954	0%	151,789	133,879	-12%
235 Stanley St, Townsville QLD	13,795	13,795	13,795	13,795	13,795	13,795	13,795	0%	13,795	13,795	0%
1 Adelaide Terrace Perth WA	20,000	20,000	20,000	20,000	20,000	20,000	20,000	0%	20,000	20,000	0%
1 Mill Street, WA	6,235	6,235	6,235	6,235	–	–	–	–	6,235	–	-100%
5 Mill Street, WA	7,107	7,107	7,107	7,107	7,107	7,107	7,107	0%	7,107	7,107	0%
197 St Georges Tce, WA	25,407	25,407	25,407	25,407	25,407	25,407	25,407	0%	25,407	25,407	0%
50 Cavill Ave, Surfers Paradise QLD	16,600	16,600	16,600	16,600	–	–	–	–	16,600	–	-100%
Westralia Square, Perth WA	–	32,635	32,635	32,635	32,635	32,635	32,635	0%	32,635	32,635	0%
6 Sunray Drive Innaloo WA	–	30,010	30,010	30,010	30,010	30,010	30,010	0%	30,010	30,010	0%
180 Hay Street, East Perth WA	–	–	–	4,925	4,925	–	–	–	–	4,925	–
Energy Consumption - Operationally Controlled - (MWh)											
Diesel	52.23	56.24	142.68	117.34	23.70	110.33	22.97	-79%	142.68	23.70	-83%
235 Stanley St, Townsville QLD	32.38	26.12	111.12	90.96	–	90.96	–	-100%	111.12	–	-100%
1 Adelaide Terrace Perth WA	6.85	6.71	12.41	6.92	7.37	6.92	7.37	7%	12.41	7.37	-41%
1 Mill Street, WA	–	–	–	–	–	–	–	–	–	–	–
5 Mill Street, WA	–	–	–	–	–	–	–	–	–	–	–
197 St Georges Tce, WA	13.00	16.00	3.70	8.07	10.00	8.07	10	24%	3.70	10.00	170%
50 Cavill Ave, Surfers Paradise QLD	–	6.41	10.74	3.77	–	–	–	–	10.74	–	-100%
Westralia Square, Perth WA	–	1.00	4.71	4.38	5.60	4.38	5.60	28%	4.71	5.60	19%
6 Sunray Drive Innaloo WA	–	–	–	–	–	–	–	–	–	–	–
180 Hay Street, East Perth WA	–	–	–	3.24	0.73	–	–	–	–	0.73	–
Natural Gas	354.11	315.42	252.11	296.70	315.24	297	315	6%	252.11	315.24	25%
235 Stanley St, Townsville QLD	–	–	–	–	–	–	–	–	–	–	–
1 Adelaide Terrace Perth WA	–	–	–	–	–	–	–	–	–	–	–
1 Mill Street, WA	–	–	–	–	–	–	–	–	–	–	–
5 Mill Street, WA	172.76	155.37	148.08	113.66	113.47	113.66	113.47	0%	148.08	113.47	-23%
197 St Georges Tce, WA	181.35	160.05	104.03	146.34	153.15	146.34	153.15	5%	104.03	153.15	47%
50 Cavill Ave, Surfers Paradise QLD	–	–	–	–	–	–	–	–	–	–	–
Westralia Square, Perth WA	–	–	–	36.70	48.62	36.70	48.62	–	–	48.62	–
6 Sunray Drive Innaloo WA	–	–	–	–	–	–	–	–	–	–	–

Appendix 2: Energy performance by asset cont.

Absolute						Like for Like*			Baseline Comparison*		
Metric	FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
180 Hay Street, East Perth WA	-	-	-	-	-	-	-	-	-	-	-
Electricity (grid)	6,637.00	8,123.00	7,703.80	6,686.25	5,542.05	4,903	5,292	8%	7,703.80	5,542.05	-28%
235 Stanley St, Townsville QLD	1,412.00	1,493.00	1,300.26	1,109.93	1,156.94	1,109.93	1,156.94	4%	1,300.26	1,156.94	-11%
1 Adelaide Terrace Perth WA	1,399.00	1,092.00	983.26	768.94	891.73	768.94	891.73	16%	983.26	891.73	-9%
1 Mill Street, WA	133.00	129.00	167.26	123.89	–	–	–	–	167.26	–	-100%
5 Mill Street, WA	461.00	367.00	369.50	369.19	374.46	369.19	374.46	1%	369.50	374.46	1%
197 St Georges Tce, WA	1,209.00	1,142.00	1,275.16	1,217.36	1,166.76	1,217.36	1,166.76	-4%	1,275.16	1,166.76	-9%
50 Cavill Ave, Surfers Paradise QLD	2,023.00	2,007.00	1,831.26	1,467.68	–	–	–	–	1,831.26	–	-100%
Westralia Square, Perth WA	–	1,879.00	1,766.08	1,426.14	1,579.29	1,426.14	1,579.29	11%	1,766 .08	1,579.29	-11%
6 Sunray Drive Innaloo WA	–	14.00	11.02	11.79	122.81	11.79	122.81	942%	11.02	122.81	1014%
180 Hay Street, East Perth WA	–	–	–	191.32	250.06	–	–	–	–	250.06	–
Total energy consumption (MWh)	7,043.34	8,494.66	8,098.59	7,100.28	5,888.99	5,310.40	5,630.20	6%	8,098.59	5,880.99	-27%
Energy intensity (MJ/m2)	284.44	201.47	192.08	163.11	158.14	148.25	157.18	-6%	192.08	158.14	-18%
235 Stanley St, Townsville QLD	376.93	396.44	368.32	313	301.92	313.39	301.92	-4%	368.32	301.92	-18%
1 Adelaide Terrace Perth WA	253.05	197.77	179.22	139.65	161.84	139.65	161.84	16%	179.22	161.84	-10%
1 Mill Street, WA	76.79	74.48	96.57	71.53	–	–	–	–	96.57	–	-100%
5 Mill Street, WA	321.03	264.60	262.18	244.59	247.16	244.59	247.16	1%	262.18	247.16	-6%
197 St Georges Tce, WA	198.85	186.76	195.95	194.37	188.44	194.37	188.44	-3%	195.95	188.44	-4%
50 Cavill Ave, Surfers Paradise QLD	438.72	436.64	399.47	319.11	–	–	–	–	399.47	–	-100%
Westralia Square, Perth WA	–	207.38	195.34	161.85	180.19	161.85	180.19	11%	195.34	180.19	-8%
6 Sunray Drive Innaloo WA	–	1.68	1.32	1.41	14.73	1.41	14.73	942%	1.32	14.73	1014%
180 Hay Street, East Perth WA	–	–	–	142.21	183.31	–	–	–	–	183.31	–

GDI Property Group

Appendix 3: Greenhouse gas emissions performance by asset

FY22 Environmental, Social and Governance (ESG) Report

Refer to Appendix 6: Environmental Data Notes for explanatory notes

Absolute						Like for Like*			Baseline Comparison*		
Metric	FY18	FY19	FY20	FY21	FY22	FY21	FY22	% change over 12 month period	FY20	FY22	% change
Net Lettable Area – Operationally Controlled	89,144	151,789	151,789	156,714	133,879	128,954	128,954	0%	151,789	133,879	-12%
Greenhouse gas emissions (tCO_2-e)											
Direct (Scope 1)	78.89	72.73	82.83	84.69	64.47	82.92	64.28	-22%	82.83	64.47	-22%
235 Stanley St, Townsville QLD	8.18	6.60	28.08	22.99	–	22.99	–	-100%	28.08	–	-100%
1 Adelaide Terrace Perth WA	1.73	1.70	3.14	1.75	1.86	1.75	1.86	7%	3.14	1.86	-41%
1 Mill Street, WA	–	–	–	–	–	–	–	–	–	–	–
5 Mill Street, WA	32.05	28.82	27.47	21.08	21.05	21.08	21.05	0%	27.47	21.05	-23%
197 St Georges Tce, WA	36.93	33.73	20.23	29.19	30.94	29.19	30.94	6%	20.23	30.94	53%
50 Cavill Ave, Surfers Paradise QLD	–	1.62	2.71	0.95	–	–	–	–	2.71	–	-100%
Westralia Square, Perth WA	–	0.25	1.19	7.91	10.43	87.91	10.43	32%	1.19	10.43	777%
6 Sunray Drive Innaloo WA	–	–	–	–	–	–	–	–	–	–	–
180 Hay Street, East Perth WA	–	–	–	0.82	0.18	–	–	–	–	0.18	–
Indirect (Scope 2)	4,955.05	6,037.50	5,692.73	4,908.14	3,952.17	3,480.10	3,752.12	8%	5,692.73	3,952.17	-31%
235 Stanley St, Townsville QLD	1,115.48	1,194.40	1,053.21	899.04	925.55	899.04	925.55	3%	1,053.21	925.55	-12%
1 Adelaide Terrace Perth WA	979.30	764.40	678.45	522.88	606.38	522.88	606.38	16%	678.45	606.38	-11%
1 Mill Street, WA	93.10	90.30	115.41	84.25	–	–	–	–	115.41	–	-100%
5 Mill Street, WA	322.70	256.90	254.96	251.05	254.63	251.05	254.63	1%	254.96	254.63	0%
197 St Georges Tce, WA	846.30	799.40	879.86	827.81	793.40	827.81	793.40	-4%	879.86	793.40	-10%
50 Cavill Ave, Surfers Paradise QLD	1,598.17	1,605.60	1,483.32	1,188.82	–	–	–	–	1,483.32	–	-100%
Westralia Square, Perth WA	–	1,315.30	1,218.60	969.77	1,073.92	969.77	1,073.92	11%	1,218.60	1,073.92	-12%
6 Sunray Drive Innaloo WA	–	11.20	8.93	9.55	98.25	9.55	98.25	929%	8.93	98.25	1001%
180 Hay Street, East Perth WA	–	–	–	154.97	200.05	–	–	–	–	200.05	–
Total Scope 1 & 2 emissions	5,033.94	6,110.23	5,775.55	4,992.83	4,016.64	3,563.03	3,816.40	7%	5,775.55	4,016.64	-30%
Greenhouse gas emissions intensity (kg CO_2e/m^2)	56.47	40.25	38.05	31.86	30.00	27.63	29.60	7%	38.05	30.00	-21%

GDI Property Group

Appendix 4: Water performance by asset

2022.

FY22 Environmental, Social and Governance (ESG) Report

Refer to Appendix 6: Environmental Data Notes for explanatory notes

Absolute						Like for Like*			Baseline Comparison*		
Metric	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY21**	**FY22**	**% change over 12 month period**	**FY20**	**FY22**	**% change**
Net Lettable Area – Operationally Controlled	89,144	151,789	151,789	156,714	133,879	128,954	128,954	0%	151,789	133,879	-12%
Water (m^3)											
Potable water	**49,432.00**	**92,715.00**	**94,218.00**	**79,702.00**	**63,584.00**	**60,684.00**	**63,584.00**	**5%**	**94,218.29**	**63,583.73**	**-33%**
235 Stanley St, Townsville QLD	8,508.00	6,645.00	10,427.05	6,334.79	7,692.41	6,334.79	7,692.41	21%	10,427.05	7,692.41	-26%
1 Adelaide Terrace Perth WA	10,992.00	12,433.00	9,694.76	5,811.43	7,441.99	5,811.43	7,441.99	28%	9,694.76	7,441.99	-23%
1 Mill Street, WA	651.00	125.00	574.91	476.72	–	–	–	–	574.91	–	-100%
5 Mill Street, WA	4,103.00	4,101.00	4,421.76	3,507.76	2,884.57	3,507.76	2,884.57	-18%	4,421.76	2,884.57	-35%
197 St Georges Tce, WA	8,214.00	9,581.00	10,847.76	11,626.35	8,197.00	11,626.35	8,197.00	-29%	10,847.76	8,197.00	-24%
50 Cavill Ave, Surfers Paradise QLD	16,964.00	21,392.00	19,709.30	18,541.72	–	–	–	–	19,709.30	–	-100%
Westralia Square, Perth WA	–	19,815.00	20,173.74	14,052.53	15,818.01	14,052.53	15,818.01	13%	20,173.74	15,818.01	-22%
6 Sunray Drive Innaloo WA	–	18,623.00	18,369.01	19,350.67	21,549.74	19,350.67	21,549.74	11%	18,369.01	21,549.74	17%
180 Hay Street, East Perth WA	–	–	–	–	–	–	–	–	–	–	–
Total water consumption	**49,432.00**	**92,715.00**	**94,218.29**	**79,701.98**	**63,583.73**	**60,683.54**	**63,583.73**	**5%**	**94,218.29**	**63,583.73**	**-33%**
Water intensity (m_3/m^2)	0.55	0.61	0.62	0.53	0.49	0.47	0.49	5%	0.62	0.49	-21%
235 Stanley St, Townsville QLD	0.62	0.48	0.76	0.46	0.56	0.46	0.56	21%	0.76	0.56	-26%
1 Adelaide Terrace Perth WA	0.55	0.62	0.48	0.29	0.37	0.29	0.37	28%	0.48	0.37	-23%
1 Mill Street, WA	0.10	0.02	0.09	0.08	–	–	–	–	0.09	–	-100%
5 Mill Street, WA	0.58	0.58	0.62	0.49	0.41	0.49	0.41	-18%	0.62	0.41	-35%
197 St Georges Tce, WA	0.32	0.38	0.43	0.46	0.32	0.46	0.32	-29%	0.43	0.32	-24%
50 Cavill Ave, Surfers Paradise QLD	1.02	1.29	1.19	1.12	–	–	–	–	1.19	–	-100%
Westralia Square, Perth WA	–	0.61	0.62	0.43	0.48	0.43	0.48	13%	0.62	0.48	-22%
6 Sunray Drive Innaloo WA	–	0.62	0.61	0.64	0.72	0.64	0.72	11%	0.61	0.72	17%
180 Hay Street, East Perth WA	–	–	–	–	–	–	–	–	–	–	–

Appendix 5: Operational waste performance by asset

Refer to Appendix 6: Environmental Data Notes for explanatory notes

Note: FY22 is the first year of operational waste data collection

Metric	FY22
General waste (tonnes)	**156.8**
235 Stanley St, Townsville QLD	0.0
1 Adelaide Terrace Perth WA	57.4
1 Mill Street, WA	0.0
5 Mill Street, WA	5.6
197 St Georges Tce, WA	20.6
50 Cavill Ave, Surfers Paradise QLD	0.0
Westralia Square, 141 St Georges Terrace, Perth WA	41.9
6 Sunray Drive Innaloo WA	31.2
180 Hay Street, East Perth WA	0.0
Total recycling (tonnes)	**76.1**
235 Stanley St, Townsville QLD	0.0
1 Adelaide Terrace Perth WA	9.9
1 Mill Street, WA	0.0
5 Mill Street, WA	2.6
197 St Georges Tce, WA	7.9
50 Cavill Ave, Surfers Paradise QLD	0.0
Westralia Square, 141 St Georges Terrace, Perth WA	46.8
6 Sunray Drive Innaloo WA	8.9
180 Hay Street, East Perth WA	0.0
Total waste generated (tonnes)	**232.8**
235 Stanley St, Townsville QLD	0%
1 Adelaide Terrace Perth WA	15%
1 Mill Street, WA	0%
5 Mill Street, WA	32%
197 St Georges Tce, WA	28%
50 Cavill Ave, Surfers Paradise QLD	0%
Westralia Square, 141 St Georges Terrace, Perth WA	53%
6 Sunray Drive Innaloo WA	22%
180 Hay Street, East Perth WA	0%
Total diversion from landfill (%)	**33%**

Appendix 6: Environmental data notes

General

- Net Lettable Area (NLA) reduced by 22,835m^2 in FY22 due to the removal of 50 Cavill Avenue (sale) and 1 Mill Street (removed for planned redevelopment)
- NLA of 180 Hay Street has been removed from the water intensity calculations given no water data due to 100% vacancy
- 2020 has been selected as the environmental performance base year as GDI's inaugural ESG report was published in FY20. List of properties within the baseline year group remains the same to account for contractions and increases in the portfolio
- Like for like comparison group updated to account for the following portfolio changes:

Asset	Status for data presented
235 Stanley St, Townsville	Retained
1 Adelaide Tce, Perth	Retained
1 Mill St, Perth	Removed as it is vacant for future development
5 Mill St, Perth	Retained
197 St Georges Tce, Perth	Retained
50 Cavill Ave, Surfers Paradise	Removed as building was sold in August 2021
Westralia Square (141 St Georges Tce), Perth	Retained
6 Sunray Dr, Innaloo	Retained
180 Hay St, East Perth	Excluded as it is vacant and under refurbishment

Operational Waste

- FY22 is the inaugural year for portfolio wide operational waste data
- Operational waste data is not available for 235 Stanley St as it is not under the landlord's operational control
- Operational waste data is not available for 180 Hay St as the site is 100% vacant
- The portfolio average diversion rate from landfill for FY22 is 33%

Diesel

- FY22 report contains a correction of FY18, FY19, FY20, FY21 diesel emissions figures. These corrections are in the table below as well as the material difference to the annual emissions figures.

Metric		FY18	FY19	FY20	FY21
Total Scope 1 & 2 emissions	Before correction	5,227	6,319	6,304	5,427
Total Scope 1 & 2 emissions	After correction	5,034	6,110	5,776	4,993
	Difference	-4%	-3%	-8%	-8%

Appendix 6: Environmental data notes cont.

Energy and emissions data

- Energy consumption figures are derived from a combination of utility accounts and readings from privately owned sub-meters using the NABERS calculation methodology. Heating and cooling consumption is contained within the overall electricity and natural gas data. Emissions conversion factors for diesel, gas and electricity are calculated using the National Greenhouse and Energy Reporting (Measurement) Determination 2008: Schedule 1 – Energy Content Factors and Emission Factors, and indirect factors use the National Greenhouse Accounts workbook where applicable.
- Gas and diesel emissions included within the CO_2-e factor are CO_2 (carbon dioxide), CH_4 (methane) and N_2O (nitrous oxide).
- Electricity, natural gas and diesel are used to calculate energy intensity. The denominator for energy intensity and emissions intensity is the net lettable area (m^2).
- Energy intensity MWh has a conversion rate of 1 mWh = 3600 MJ.
- Included in emissions data are Scope 1 emissions from direct consumption of fossil fuels through natural gas and diesel consumption for onsite heating and backup electricity generation, and Scope 2 emissions from the indirect burning of fossil fuels through consumption of electricity.
- For electricity all (100%) of tenants are separately metered by privately owned electricity meters which form part of the landlords overall embedded network.
- 1 Mill Street – no data in FY22 as building was removed for planned redevelopment during reporting year
- 50 Cavill Ave – no data in FY22 as building was sold during reporting year
- 6 Sunray Dr – The large increase in electricity in FY22 vs FY21 is due to an uncharacteristic increase in consumption in December 2021.

FY22 - Estimated Energy, Emissions

Estimated data for FY22 is identified in the table below and will be recalculated in the FY23 ESG Report to reflect actual data

Estimated environmental data FY22

Estimated Data FY22				
Location	Diesel	Gas	Electricity	Water
1 Adelaide Tce, Perth	17/05/22-30/06/22	–	–	–
1 Mill St, Perth	–	–	–	–
5 Mill St, Perth	–	–	–	–
197 St Georges Tce, Perth	–	–	–	–
141 St Georges Tce, Perth	–	–	21/06-30/06/2022	–
50 Cavill Ave, Surfers Paradise	–	–	–	–
235 Stanley St, Perth	–	–	–	–
6 Sunray Dr, Innaloo	–	–	–	–
180 Hay St, East Perth	–	–	–	–

As per table above estimations were made for:

- 1 Adelaide Tce – diesel record covering 17/05/22-30/06/22
- 141 St George Tce – electricity record covering 21/06-30/06/2022

Appendix 6: Environmental data notes cont.

FY21 – Corrections – Energy, Emissions

Corrections were made for FY21 data published in this report has been recalculated to reflect subsequent actual data collected from utility bills once they had been issued. These are detailed below:

Corrections made for FY21 – energy & emissions			
Site	**Measurement**	**Previous (mWh)**	**New (mWh)**
1 Adelaide Tce, Perth	Diesel	9	6.92
Westralia Square, Perth	Diesel	4	4.38
5 Mill St, Perth	Gas	132	113.66
197 St Georges Tce, Perth	Gas	144	146.34
5 Mill St, Perth	Electricity	369	369.19
197 St Georges Tce, Perth	Electricity	1,219	1,217.36
Westralia Square, 141 St Georges Tce, Perth	Electricity	1,412	1,426.14

Water data

Total consumption is influenced by the addition or removal of properties as they are bought or sold.

- 180 Hay St, East Perth: no water data due to 100% vacancy
- 1 Mill St, Perth: no data in FY22 as building is under planned redevelopment
- 50 Cavill Ave, Surfers Paradise: – no data in FY22 as building was sold during reporting year

Water consumption was also heavily influenced by COVID during 2020 and 2021.

Water consumption figures are derived from a combination of utility accounts and readings from privately owned sub-meters.

The FY21 data published in this report has been recalculated to reflect subsequent actual data collected from utility bills once they had been issued.

Adjustments made for FY21 – Water Data			
Site	**Measurement**	**Previous (kL)**	**New (kL)**
235 Stanley St, Townsville	Water	7,097.85	6,334.79
5 Mill St, Perth	Water	3,499.82	3,507.76
197 St Georges Tce, Perth	Water	11,631.14	11,626.35
Westralia Square, Perth	Water	13,997.92	14,052.53
6 Sunray Dr, Innaloo	Water	19,745.06	19,350.67

Where the most recent water account data was unavailable data was estimated by multiplying the average kL/day figure from the most recent actual account by the number of missing days and adding this value to the FY22 total. Wherever possible water consumption related to non-office use (e.g., retail tenants) has been removed from the figures to ensure only assets under operational control are captured. Tenant water use is not separately metered, and consumption is captured by the main utility water meter.

GDI Property Group

Appendix 7: TCFD Disclosures

2022.

FY22 Environmental, Social and Governance (ESG) Report

Supplemental guidance from the Task Force on Climate Related Financial Disclosures (TCFD) for asset managers has been incorporated.

Disclosure	Reference/Response
Governance: Disclose the organisation's governance around climate-related risks and opportunities	
a. Describe the board's oversight of climate related risks and opportunities	p.33
b. Describe the management's role in assessing and managing climate related risks and opportunities	p.33
Strategy: Disclose the actual and potential impacts of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	
a. Describe the climate related risks and opportunities the organisation has identified over the short, medium and long term	p.33
b. Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning. Supplemental Guidance for Asset Owners Asset owners should describe how climate-related risks and opportunities are factored into relevant investment strategies. This could be described from the perspective of the total fund or investment strategy or individual investment strategies for various asset classes. Supplemental Guidance for Asset Managers Asset managers should describe how climate-related risks and opportunities are factored into relevant products or investment strategies. Asset managers should also describe how each product or investment strategy might be affected by the transition to a lower-carbon economy.	pp.6, 33
c. Describe the resilience of the organisation's strategy, taking its consideration different climate related scenarios, including a 2°C or lower scenario Supplemental Guidance for Asset Owners Asset owners that perform scenario analysis should consider providing a discussion of how climate-related scenarios are used, such as to inform investments in specific assets.	GDI has not yet undertaken climate scenario modelling

Appendix 7: TCFD Disclosures cont.

Disclosure	Reference/Response
Risk Management: Disclose how the organisation identifies, assesses, and manages climate related risks	
a. Describe the organisation's processes for identifying and assessing climate related risks Supplemental Guidance for Asset Owners Asset owners should describe, where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks to improve data availability and asset owners' ability to assess climate-related risks. Supplemental Guidance for Asset Managers Asset managers should describe, where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks in order to improve data availability and asset managers' ability to assess climate-related risks. Asset managers should also describe how they identify and assess material climate-related risks for each product or investment strategy. This might include a description of the resources and tools used in the process.	p.33. GDI does not specifically engage with investee companies to encourage better disclosure and practices related to climate related risks to improve data availability and asset owners' ability to assess climate related risks.
b. Describe the organisation's processes for managing climate related risks Supplemental Guidance for Asset Owners Asset owners should describe how they consider the positioning of their total portfolio with respect to the transition to a lower-carbon energy supply, production, and use. This could include explaining how asset owners actively manage their portfolios' positioning in relation to this transition. Supplemental Guidance for Asset Managers Asset managers should describe how they manage material climate-related risks for each product or investment strategy.	pp. 3, 4, 10-13, 20-22, 33 This disclosure applies to buildings under GDI's operational control only.
c. Describe how processes for identifying, assessing and managing climate related risks are integrated into the organisation's overall risk management	p.33

Appendix 7: TCFD Disclosures cont.

Disclosure	Reference/Response
Metrics and Targets	
a. Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process	GDI reports on its Scope 1 and 2 emissions and emissions intensity for energy and water.
Supplemental Guidance for Asset Owners Asset owners should describe metrics used to assess climate-related risks and opportunities in each fund or investment strategy. Where relevant, asset owners should also describe how these metrics have changed over time. Where appropriate, asset owners should provide metrics considered in investment decisions and monitoring. Supplemental Guidance for Asset Managers Asset managers should describe metrics used to assess climate-related risks and opportunities in each product or investment strategy. Where relevant, asset managers should also describe how these metrics have changed over time. Where appropriate, asset managers should provide metrics considered in investment decisions and monitoring.	pp. 15, 25, 43-46
b. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	GDI reports on its Scope 1 and 2 emissions and emissions intensity for energy and water. Measurement has not been undertaken for Scope 3 emissions.
Supplemental Guidance for Asset Owners Asset owners should provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each fund or investment strategy. In addition, asset owners should provide other metrics they believe are useful for decision making along with a description of the methodology used. Supplemental Guidance for Asset Managers Asset managers should provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each product or investment strategy. In addition, asset managers should provide other metrics they believe are useful for decision making along with a description of the methodology used.	pp. 15, 25, 43-46
c. Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets	pp. 16, 24

GDI Property Group

GRI Content Index

2022.

FY22 Environmental, Social and Governance (ESG) Report

This GRI Content Index lists the GRI disclosures that are linked with the material themes highlighted in GDI's FY21 materiality assessment, the results of which are also used in GDI's FY22 ESG Report. In addition to the applicable Sustainability Accounting Standards Board (SASB) disclosures, the GRI G4 Construction and Real Estate Sector disclosures are included to offer sector-specific information.

Statement of use: GDI Property Group has reported in accordance with the GRI Standards for the period 1 July 2021 to 30 June, 2022
GRI 1 Standard used: GRI 1: Foundation 2021
Applicable GRI Sector Standard: G4 Construction and Real Estate Sector Disclosures

GRI Standard/ Other source	Disclosure	Page/Reference/Explanatory notes
General Disclosures		
GRI 2: General Disclosures 2021	**The organisation and its reporting practices**	
	2-1: Organisational details	p.6
	2-2: Entities included in the organisation's sustainability reporting	p.6
	2-3: Reporting period, frequency and contact point	p.5
	2-4: Restatements of information	pp.5, 48-50
	2-5: External assurance	p.5
	Activities and workers	
	2-6: Activities, value chain and other business relationships	pp.6, 30, 31
	2-7: Employees	p.29
	2-8: Workers who are not employees	p.29
	Governance	
	2-9: Governance structure and composition	p.34
	2-10: Nomination and selection of the highest governance body	p.34
	2-11: Chair of the highest governance body	p.34
	2-12: Role of the highest governance body in overseeing the management of impacts	p.34
	2-13: Delegation of responsibility for managing impacts	p.33
	2-14: Role of the highest governance body in sustainability reporting	p.33
	2-15: Conflicts of interest	p.34
	2-16: Communication of critical concerns	p.34
	2-17: Collective knowledge of the highest governance body	p.34
	2-18: Evaluation of the performance of the highest governance body	p.34
	2-19: Remuneration policies	p.36
	2-20: Process to determine remuneration	p.36
	2-21: Annual total compensation ratio	p.36

GRI Content Index cont.

GRI Standard/ Other source	Disclosure	Page/Reference/Explanatory notes
	Strategy, policies and practices	
	2-22: Statement on sustainable development strategy	pp.3, 4
	2-23: Policy commitments	p.32
	2-24: Embedding policy commitments	p.32
	2-25: Processes to remediate negative impacts	pp.30, 37
	2-26: Mechanisms for seeking advice and raising concerns	pp.30, 34
	2-27: Compliance with laws and regulations	p.33
	2-28: Membership associations	p.36
	Stakeholder engagement	
	2-29: Approach to stakeholder engagement	pp.30, 37
	2-30: Collective bargaining agreements	p.29
Material topics		
GRI 3: Material Topics 2021		
3-1: Process to determine material topics		p.9
3-2: List of material topics		p.9
Energy management		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.10-14
GRI 302: Energy 2016	302-1: Energy consumption within the organisation	pp.15, 20-22, 43-45
	302-3: Energy intensity	pp.15, 20-22, 43-45
	302-4: Reduction of energy consumption	pp.15, 20-22, 43-45
G4 Construction and Real Estate Sector Disclosures	CRE1: Building Energy Intensity	pp.15, 20-22, 43-45
SASB Real Estate Sustainability Account Standard Version 2018-10	IF-RE-130a.1: Energy consumption data coverage as a percentage of total floor area, by property subsector	pp.15, 20-22, 43-45
	IF-RE-130a.2: 1. Total energy consumed by portfolio area with data coverage, 2. percentage grid electricity, and 3. percentage renewable, by property subsector	pp.15, 20-22, 43-45
	IF-RE-130a.3: Like-for-like percentage change in energy consumption for the portfolio area with data coverage	pp.15, 20-22, 43-45
	IF-RE-130a.4: Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	p.14. (1) 80% of eligible properties have a NABERS rating. 6 Sunray Drive is not required to have a NABERS Energy rating as it is a retail occupancy. 1 Mill Street has been removed for planned redevelopment. 180 Hay Street is 100% vacant. (2) ENERGY STAR ratings are not applicable in the Australian context. NABERS ratings are used.
	IF-RE-130a.5: Description of how building energy management considerations are integrated into property investment analysis and operational strategy	p.6

GRI Content Index cont.

GRI Standard/ Other source	Disclosure	Page/Reference/Explanatory notes
Waste management and recycling		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.17, 18
GRI 306: Waste 2020	306-1: Waste generation and significant waste-related impacts	pp.17, 19
	306-2: Management of significant waste-related impacts	pp.17, 19
	306-3: Waste generated	pp.18, 19, 47
	306-4: Waste diverted from disposal	pp.18, 19, 47
	306-5: Waste directed to disposal	pp.18, 19, 47
Use of sustainable, renewable and/or recycled materials		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.3, 10, 13, 19, 22, 33
GRI 301: Materials 2016	301-1: Materials used by weight or volume	p.19. Metrics only available for WS2 building
Good environmental design for human health		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.26-28
GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	pp.26-28
Greenhouse gas emissions		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.15, 20-22, 43-45
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	pp.15, 20-22, 43-45
	305-2: Energy indirect (Scope 2) GHG emissions	pp.15, 20-22, 43-45
	305-4: GHG emissions intensity	pp.15, 20-22, 43-45
	305-5: Reduction of GHG emissions	pp.15, 20-22, 43-45
G4 Construction and Real Estate Sector Disclosures	CRE3: Greenhouse gas emissions intensity from buildings	pp.15, 20-22, 43-45
Water and wastewater management		
GRI 3: Material Topics 2021	3-3: Management of material topics	pp.23, 24
GRI 303: Water and effluents 2018	303-1: Interactions with water as a shared resource	p.23
	303-2: Management of water discharge related impacts	pp.22, 23
	303-5: Water consumption	pp.25, 46
G4 Construction and Real Estate Sector Disclosures	CRE2: Building water intensity	pp.25, 46
SASB Real Estate Sustainability Account Standard Version 2018-10	IF-RE-140a.3: Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	pp.25, 46
	IF-RE-140a.4: Description of water management risks and discussion of strategies and practices to mitigate those risks	p.23

GRI Content Index cont.

GRI Standard/ Other source	Disclosure	Page/Reference/Explanatory notes
Economic performance		
GRI 3: Material Topics 2021	3-3: Management of material topics	Annual Report
GRI 201: Economic Performance	201-1: Direct economic value generated and distributed	Annual Report
	201-2: Financial implications and other risks and opportunities due to climate change	p.33
Non-discrimination		
GRI 3: Material Topics 2021	3-3: Management of material topics	p.29
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	p.29
Marketing and communications compliance		
GRI 3: Material Topics 2021	3-3: Management of material topics	p.38
GRI 417: Marketing and Labelling 2016	417-1: Requirements for product and service information and labelling	p.38
	417-2: Incidents of non-compliance concerning product and service information and labelling	p.38
	417-3: Incidents of non-compliance concerning marketing and communications	p.38
G4 Construction and Real Estate Sector Disclosures	CRE-8: Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	p.7, 8, 11, 12, 14, 16, 24-28, 33
Socially responsible supply chain		
GRI 3: Material Topics 2021	3-3: Management of material topics	p.35
GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	p.35
	414-2: Negative social impacts in the supply chain and actions taken	p.35
Employment conditions		
GRI 3: Material Topics 2021	3-3: Management of material topics	p.29
GRI 401: Employment 2016	401-3: Parental leave	p.29
Anti-corruption		
GRI 3: Material Topics 2021	3-3: Management of material topics	p.35
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	p.35
	205-3: Confirmed incident of corruption and actions taken	p.35

GRI Content Index cont.

GRI Standard/ Other source	Disclosure	Page/Reference/Explanatory notes
Additional SASB Metrics related to material topics		
Management of Tenant Sustainability Impacts		
SASB Real Estate Sustainability Account Standard Version 2018-10	IF-RE-410a.2: Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	p.49
	IF-RE-410a.3: Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants	pp.13, 18, 24, 28
Climate Change Adaptation		
SASB Real Estate Sustainability Account Standard Version 2018-10	IF-RE-450a.1: Area of properties located in 100-year flood zones, by property subsector	p.32
	IF-RE-450a.2: Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	p.33

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