

# DEXUS PROPERTY GROUP

Financing Energy Productivity – 3 April 2014

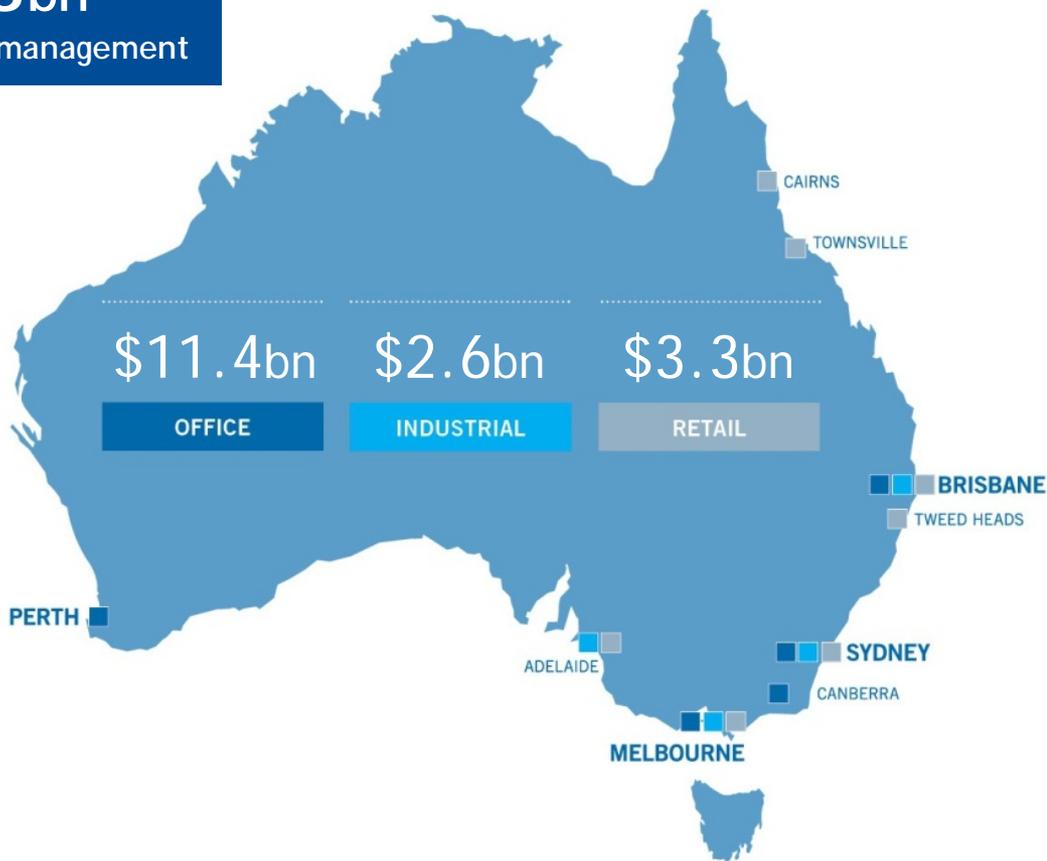


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## Property portfolio overview

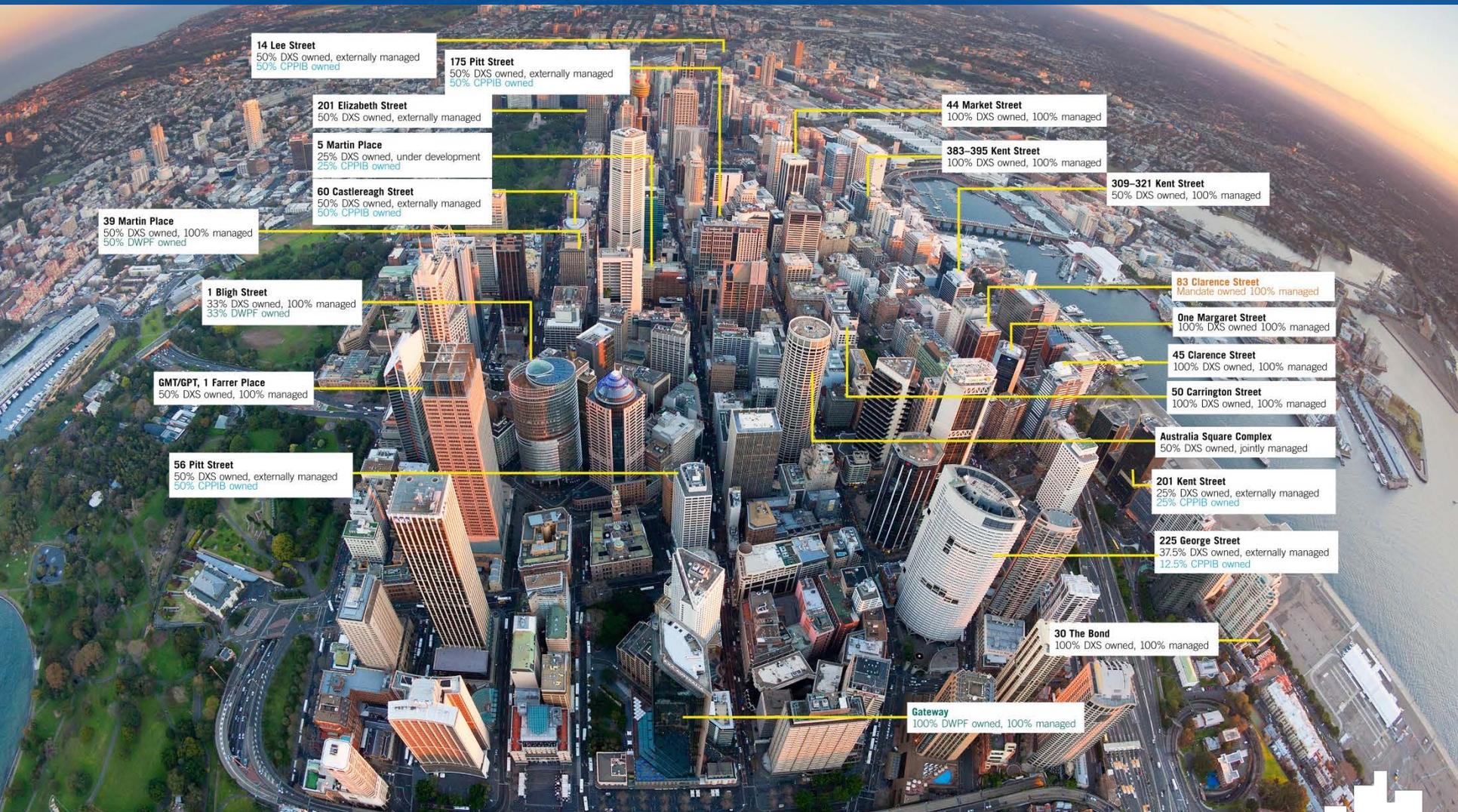
**\$17.3bn**

Total funds under management



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## Property portfolio overview



**14 Lee Street**  
50% DXS owned, externally managed  
50% CPPIB owned

**175 Pitt Street**  
50% DXS owned, externally managed  
50% CPPIB owned

**201 Elizabeth Street**  
50% DXS owned, externally managed

**5 Martin Place**  
25% DXS owned, under development  
25% CPPIB owned

**60 Castlereagh Street**  
50% DXS owned, externally managed  
50% CPPIB owned

**39 Martin Place**  
50% DXS owned, 100% managed  
50% DWPF owned

**1 Bligh Street**  
33% DXS owned, 100% managed  
33% DWPF owned

**GMT/GPT, 1 Farrer Place**  
50% DXS owned, 100% managed

**56 Pitt Street**  
50% DXS owned, externally managed  
50% CPPIB owned

**44 Market Street**  
100% DXS owned, 100% managed

**383-395 Kent Street**  
100% DXS owned, 100% managed

**309-321 Kent Street**  
50% DXS owned, 100% managed

**83 Clarence Street**  
Mandate owned, 100% managed

**One Margaret Street**  
100% DXS owned, 100% managed

**45 Clarence Street**  
100% DXS owned, 100% managed

**50 Carrington Street**  
100% DXS owned, 100% managed

**Australia Square Complex**  
50% DXS owned, jointly managed

**201 Kent Street**  
25% DXS owned, externally managed  
25% CPPIB owned

**225 George Street**  
37.5% DXS owned, externally managed  
12.5% CPPIB owned

**30 The Bond**  
100% DXS owned, 100% managed

**Gateway**  
100% DWPF owned, 100% managed

DEXUS existing owned and managed portfolio - Sydney CBD, NSW.

# DEXUS ENERGY PRODUCTIVITY INITIATIVES

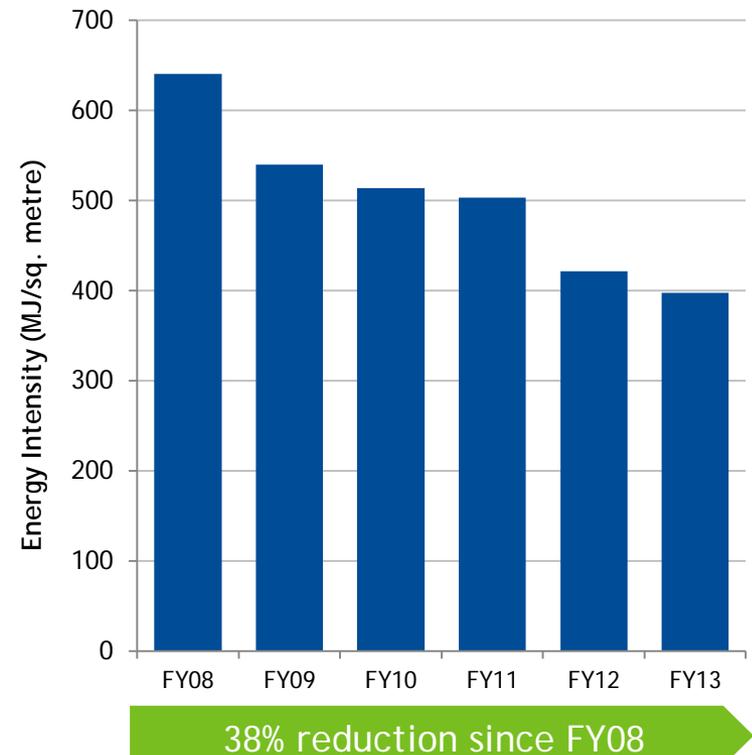
## Office portfolio

DEXUS measures energy productivity on an intensity basis (consumption per square metre of lettable space)

DEXUS energy productivity initiatives:

1. Energy efficiency: 4.5 star NABERS Energy program
2. New developments: minimum 5 star Green Star rating
3. Distributed generation: tri-generation at 1 Bligh St, Sydney and 123 Albert St, Brisbane
4. Renewables: solar at Garema Court, Canberra
5. Tenant engagement: green leases, City Switch

4.5 star NABERS Energy improvement program<sup>1</sup>



1. DXS office portfolio on a like-for-like basis.

# DEXUS ENERGY PRODUCTIVITY INITIATIVES

## Case Study - 83 Clarence Street, Sydney

22 level office tower

- Strategic Improvement Plan in 2011
- On completion energy usage reduced by 32%
- NABERS Energy rating improved to 4.5 stars
  - Equipment type                      Lighting, HVAC, hot water, BMS
  - Energy saved                              2,603 GJ
  - Greenhouse gas abated              649 t.CO<sub>2</sub>-e
  - \$ saved                                      \$90,000 p.a.



# DEXUS ENERGY PRODUCTIVITY INITIATIVES

## Case Study - One Margaret Street, Sydney

18 level A-grade office tower

- Strategic Improvement Plan in 2011
- On completion energy savings of 2,800 GJ in FY12 and a further 1,000 GJ in FY13, representing energy savings in excess of 37%
- NABERS Energy rating improved from 3.0 stars to 5.0 stars
  - Equipment type                      Lighting, HVAC, tuning, BMS
  - Energy saved                              3,800 GJ
  - Greenhouse gas abated              860 t.CO<sub>2</sub>-e
  - \$ saved                                      \$150,000 p.a.



# FINANCING ENERGY PRODUCTIVITY

## Opportunities to double energy productivity

- For Real Estate Investment Trusts scale will overcome usual finance barriers
- Private owners (and SMEs) financing barriers are more challenging
- One solution - make “energy efficiency financing a mainstream financial asset class”
- Increasing the availability of energy efficiency financing is an important initiative to increase energy productivity



1 Bligh Street, Sydney, NSW

# FINANCING ENERGY PRODUCTIVITY

## Finance options

Existing finance options include:

- Commonwealth Bank - Energy Efficient Loan program
- National Australia Bank - Environmental Upgrade Agreements
- Quantum Power - biogas specialist
- On-bill finance and lease finance



1 Bligh Street, Sydney, NSW

# OTHER BARRIERS AND OPPORTUNITIES

## Other Barriers:

- Policy instability
- Energy pricing
- New technology

## Other Opportunities:

- Precinct planning
- Break through technology
- Legislation - minimum performance standards
- People power - carbon neutral program

Governor Phillip and Governor Macquarie Towers, 1 Farrer Street, Sydney, NSW



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