

# Sustainability Report

## FY2020





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# FY2020 Highlights

## Achieved



**63.3%**

Emissions intensity reductions  
since 2004 (kg.CO2/sqm/yr)



**+\$1B**

Total green debt issued  
by ICPF since 2017





# Letter from our CEO



FY20 was a year of challenge, community, recovery, and resilience. In what became a rapidly changing operating environment, our teams remained focused on our core mission of creating thriving workplaces across the country.

Through bushfires, and the onslaught of COVID-19, I'm proud to reflect upon the way our business rallied, coming together to support communities affected by the bushfires, to care for our occupants dealing with smoke hazed cities, and looked after each other during the various lockdown restrictions of COVID-19.

Having experienced the worst summer of bushfires in living memory, and then the force of the COVID-19 virus, FY20 was certainly a year to test our resilience, and double down on our commitment to avoid the catastrophic impacts of climate change. In FY20, like no other, climate change became visible, with the social, environmental and financial devastation of the bushfires affecting every single Australian. The devastation of the fires demonstrated why Australia needs all levels of government to unite in their implementation of ambitious policy reform.

Investa remains committed to optimising opportunities to lead the market toward a low carbon economy, well in advance of the Paris Agreement 2050 targets. I'm particularly proud of our active support of the development of the sustainable finance sector in Australia. We have now issued more than \$1Billion dollars in green bonds and loans, a tremendous outcome which illustrates just how our sustainability credentials are now being directly leveraged into financial opportunity.

Pleasingly in FY20, we openly reported our progress with the Taskforce on Climate Related Financial Disclosure. Having established our high level value at risk with the [United Nations Environment Programme Finance Initiative](#), we have begun the journey to full risk and opportunity disclosure, and look forward to sharing these insights with you in due course.

Despite the disruptions of bushfires and COVID-19 we managed to accomplish the following outstanding achievements in FY20:

- 6.4% reduction in carbon emissions intensity across the portfolio
- Redefined our Sustainability Strategy 'Breaking Higher Ground' to continue positioning Investa as a global sector leader
- Established world leading capabilities in advanced analytics, artificial intelligence and machine learning

- Awarded the Australian Business Awards-Employer of Choice Award

The sweeping impact of the COVID-19 pandemic brought about unprecedented change. Whilst the long-term implications remain to be seen, I know one thing to be true; that is the indelible human need for connection. As we begin the new year, we remain focused on taking care of each other, our teams, our tenants and our communities. We will continue ensuring our offices are a safe place to come together with a shared vision, to collaborate and solve the challenges of a rapidly changing operating environment.

Reflecting upon FY20, I am proud of the way Investa came through the challenges, the way our culture anchored us in taking care of each other, and remaining focused on ensuring that the businesses we host every day had every support we could offer.

I do hope you enjoy reading our Sustainability Report for FY20, and as always welcome your thoughts and feedback.

Jonathan Callaghan  
CEO, Investa



# Net Zero 2040

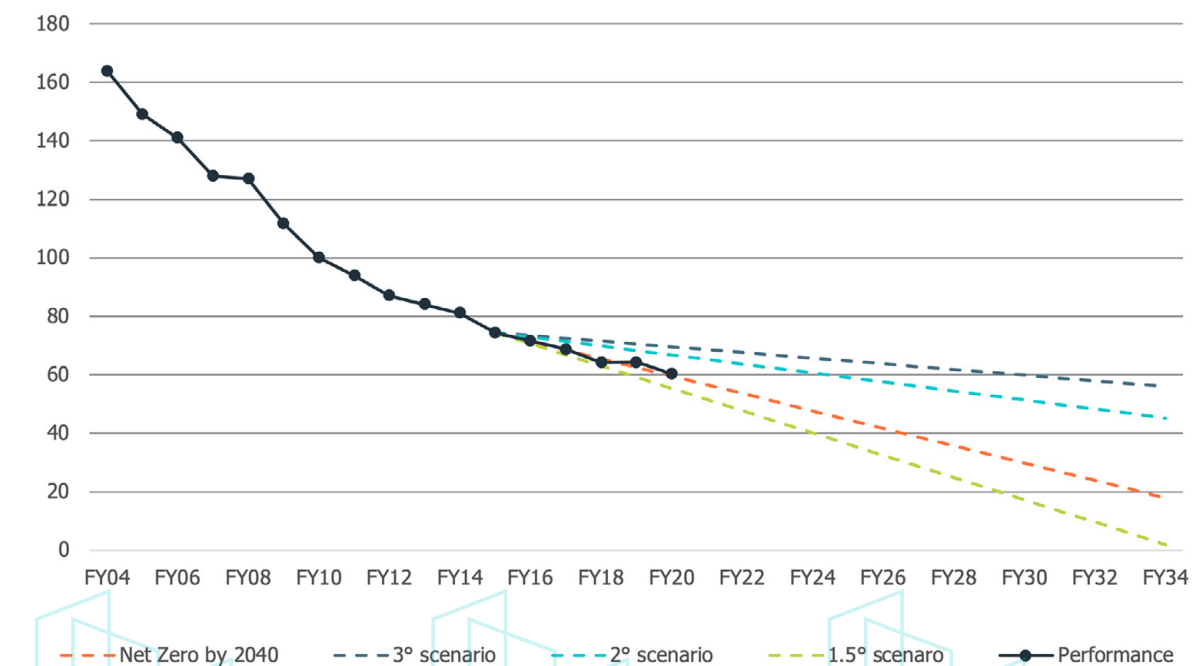
Investa reduced its operational carbon emissions intensity by 6.4% in FY20, marking a 63.3% reduction since 2004. Investa's commitment to Net Zero emissions by 2040 continues to be achieved via four key focus areas; Operational Efficiency, Building Materiality, Renewable Energy Production and Procurement, and Stakeholder Engagement. Since setting the target in 2016, Investa has progressively embedded the ambition into operational and investment decisions, strategic asset planning, staff education, investor reporting, and tenant engagement programmes.



In FY20, Investa integrated the carbon target into Strategic Asset Plans and Budgets, ensuring each asset is pushing to achieve efficiencies, set broad performance and consumption targets for the business, redefined the Investa Sustainability Strategy, implemented a comprehensive tenant engagement programme via our Sustainability Tenant Toolkit, and reported all of these programmes to our investor community, in alignment with our

work on the Taskforce on Climate Related Financial Disclosure. Investa continued to support various industry programmes such as the United Nations Environment Programme Finance Initiative work on climate change scenario analysis. Our ambition is to not only achieve our own carbon target, but to bring our partners with us on a pathway to a low carbon economy, thereby creating impact at scale.

IOM emissions intensity (kg.CO<sub>2</sub>/sqm/yr)





# Sustainability Strategy– Breaking Higher Ground

In FY20, Investa embarked on a comprehensive review of its corporate Sustainability Strategy. This programme initially included a review of activities undertaken by global leaders to establish the characteristics of best in class leadership, benchmarking public targets, focus areas, and influence beyond operational control. Key leadership characteristics included a clear articulation of purpose, ambitious targets, moving towards impact management, partnerships to expand influence, technological integration, and stakeholder engagement.

Following this review, an extensive stakeholder engagement programme sought to understand the culture around sustainability at Investa, and how it aligns with the broader goals outlined in the business strategy. This participation by staff, executive committee members, investors and industry ensured that all stakeholder groups had a clear perspective on expectations of authentic global leadership in sustainability. Importantly, the feedback from Investa’s community was clear. Their expectation was that Investa would continue to set the global real estate pace, while integrating innovative solutions, and influencing industry to adopt these solutions into their own operating frameworks, thus driving impact at scale.

An initial refinement of the Investa Sustainability Vision and Mission, ensured the revised Strategy will align to the broader business Strategy, and capture the business level ambitions to be recognised as a global leader in this space.

## Vision:

Outperform the market by setting the global ESG benchmark

## Mission:

By boldly asking the hard questions, & challenging the status quo, we will pioneer a sustainable future.

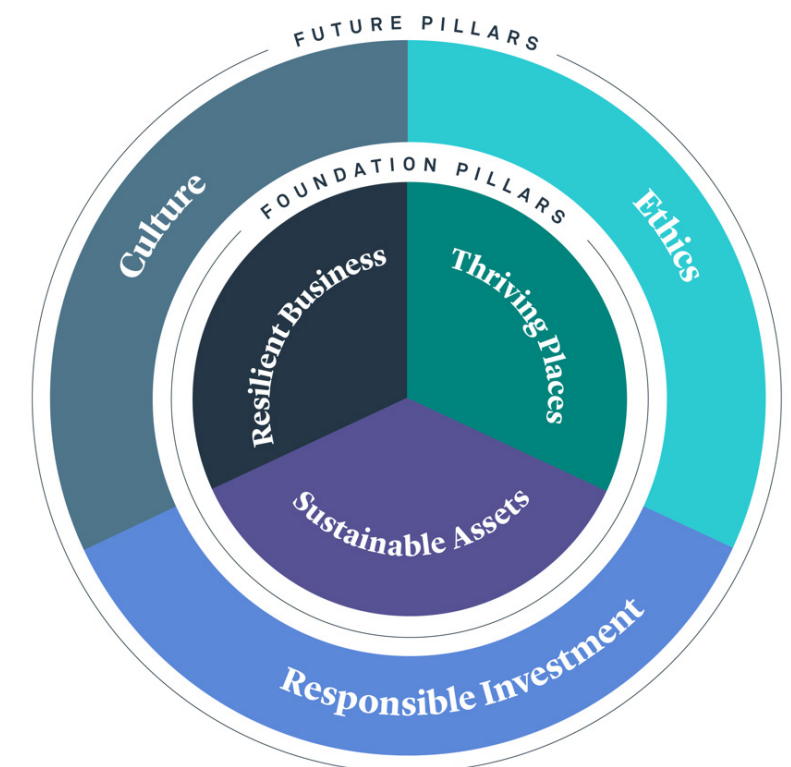
Using this vision and mission as its guiding principles, Investa developed a framework to consider the future horizon for sustainability, integrating the Net Zero carbon target and leveraging the organisation’s fifteen-year track record of ground-breaking firsts, sector knowledge and IP. A stakeholder engagement plan was developed, ensuring the interests of investors, staff, tenants, occupants and Investa’s broader community were integrated and represented appropriately. Each element of the Strategy directly addresses key stakeholder concerns and opportunities.

The Strategy is divided into two distinct sections; Core, and Differentiators. Forming the Core foundation of the Strategy, key focus areas include Sustainable Assets, Thriving Places and a Resilient

Business. These pillars of the Strategy seek to address and extend the prevailing standard of sustainability in our sector.

Building upon the Core foundation, the Differentiating pillars seek to define the next frontier of sustainability, to ensure Investa continues to push boundaries, and to respond and evolve in line with the world around us. The Differentiators include; Ethics, Culture, and Responsible Investment.

The Investa Sustainability Strategy ‘Breaking Higher Ground’ has redefined best practice sustainability in commercial real estate. The integration of ethics, culture and responsible investment, marks Investa’s transition into the next frontier to pioneer a pathway for a broad whole of business approach to sustainability performance.





# Letter from our Sustainability Team

## The Great Pause; How is Covid-19 preparing us for climate change?

FY20 certainly served some opportunities and challenges in terms of our Sustainability programme and performance. We experienced bushfires, floods, a global pandemic, working remotely and socially distancing ourselves, all while ensuring the safety and care of our tenants, occupants, and staff across the country as our first priority.

Our expert teams on the ground faced some new challenges, such as fresh air flow into our assets, while the city experienced a deep smoke haze, or recalibrating tenant access and movement through the buildings to ensure a suitable COVID-19 safe passage. Equally, FY20 offered opportunity to reflect and redirect. Investa reviewed our existing Sustainability Strategy, and composed our new strategy, *Breaking Higher Ground*, and chartered a course to re-setting the global ESG benchmark. Being the first Australian real estate organisation to set our Science Based Target in 2016, we are thrilled to see how the market has moved since then. Our Strategy, *Breaking Higher Ground*, looks to set to trailblaze the next frontier of sustainability, ensuring Investa remains a global leader in this space.

During this period of reflection, our team recognised there were some uncomfortable similarities shared by the pandemic, and the impacts of global climate change. A key learning has been just how connected we really are as a global population. The virus made us reliant on daily science briefings to inform our new normal social behaviours as we looked to our doctors, researchers, and elected leaders for guidance and reassurances that the disaster is in hand. In addition, this health crisis immediately impacted global markets and rapidly triggered unemployment figures reflective of those in the Great Depression. Consideration of global responses reveal that those who acted firmly and early, were able to significantly reduce the chaos that ensued.

Reflecting upon these universal characteristics, it could be argued, that COVID-19 and the Climate Emergency are a lot alike. They share a global geography and are irreverent to nationalistic borders. They both

have the potential to result in mass market disruption and reactivate a civic reliance on the State as civic protector. They involve externalities, and challenge systems resilience. The two issues are invisible, you can't touch them or see them in motion, but you can certainly witness their path of destruction. Additionally, the mitigation measures to deal with both emergencies are entirely dependent on data, research and science. Importantly, the outcome of both situations is very much driven by civic action or inaction. Lastly, both play out in the theatre of the all-powerful Mother Nature.

The Corona virus truly challenges the anthropocentric view of the world. If Mother Nature can simultaneously bring the global population to a grinding halt, and arrest the financial markets with a virus, it strikes us that perhaps now might be the time to consider a humbler eco-centric lens.

In the past year, we've found ourselves reflecting on what really counts when the 'busyness' stops. Closed were the gyms and offices, forcing many of us to familiarise ourselves with our own local neighbourhood and landscapes. We all noticed the steady stream of folks out walking, running, cycling morning, noon and night. With all sport cancelled, families could be seen walking and biking together in the great outdoors of our parklands and waterways.

Perhaps this time of reflection will result in a renewed affection for nature? Notice the kookaburras at dawn now? Or, that the sunsets are magnificent this time of year? It's that feeling of spontaneous awe that Mother Nature can conjure up with an ancient tree or a stunning sunrise. That feeling of awe intimately connects us to nature. It was inspiring to see how quickly Mother Nature took this opportunity to recover, with cleaner waterways and skies observed all over the world.

As our diaries begin to fill up again and we return to a sense of normality, in Australia at least, it's important that we don't forget the important lessons learned as a result of COVID-19, our collective love for our environment, and our shared responsibility to protect it and do everything in our power to mitigate the risk of its demise due to climate change.

For the first time since the Great Wars, we are witnessing global communities coming together to look out for one another, as we all make sacrifices to protect those most vulnerable. Every citizen is taking actions for the greater good. Perhaps, just perhaps, this is a rehearsal for what's to come under climate change?

The vicious summer of 2019-20 made it clear to every Australian citizen that climate change has arrived. Rather than a futuristic scenario model, climate change became something that could be cruelly counted; 18.6 million hectares burned, 5900 buildings, 2779 homes destroyed and 34 lives taken. Australians battled drought, floods, fires and then a public

health crisis accompanied by an economic wrecking ball. These events must influence the psyche of the Australian resilience, and readiness to take action against climate change.

Post Corona isolation, what will remain? It strikes us that COVID-19 is providing a clear window into what global climate change might look like. COVID-19 has demonstrated that a change in the ecosystem in one part of the world, can cause global economic turmoil, illustrating how the two seemingly unrelated systems are intricately related. If a virus can cause a global financial catastrophe, what will climate change do? Surely now the argument of "*the cost of action is too high*" no longer stands up to interrogation when we will be re-paying the cost of inaction for generations.

In addition, COVID-19 taught us in no uncertain terms, that delayed action costs lives. Early Columbia University models indicate that a response delay of one week cost 35,000 American lives. A two-week delay cost the US 54,000 lives.

By contrast, and closer to home, COVID-19 has demonstrated that Australian state and federal governments can unite rapidly to flatten the curve. Perhaps this is a rehearsal for the inter-governmental co-operation required to address the multi-faceted challenges of climate change. COVID-19 has proven that governments and global populations can take action when consequences are visible.

Still the question persists, as we emerge from this great pause, what will remain? What will we take with us, and what will we disregard as no longer viable, relevant, true, or important? Now that life has resumed its 'new normal', what will be important? After more than a year of renewed trust and faith in science and scientists, will we finally stop dismissing climate scientists?

For more on our COVID-19 response, [please see our Safety report here](#).





# Benchmarks & Achievements

## Investa sets international benchmark

Investa continues to work with our global peers to reach international benchmarks that define best practice, allowing us to measure ourselves against the highest levels of governance and performance. Working with sector and international peers allows us to take advocacy positions and assert collective action when tackling global issues such as climate change, modern slavery and equality. Investa is proud of the work done with global benchmarks, accelerating trends towards renewable energy, sustainable finance and greater diversity at all levels of management. Some of Investa's working relations include;



Signatory of:



**UNPRI:** Investa has been a signatory to the UN Principles for Responsible Investment since 2007. Nina James, Investa's General Manager Responsible Investment sits on the UNPRI's Australian Advisory Committee.



**GRESB:** Investa has responded to the GRESB Survey since 2009, with both Funds recognised as GRESB '5 Stars', ranking in the top 4% of all global respondents.



**The Responsible Investment Association of Australasia (RIAA):** Investa has been RIAA certified since 2013.



**UNEPFI:** Investa sits on the UNEPFI's Real Estate and TCFD Working Groups, contributing to the Changing Course TCFD case studies (available [here](#) and [here](#)) representing best practice in climate change scenario analysis and disclosure.



**Investor Group on Climate Change (IGCC):** Investa is a member of the IGCC, a coalition of institutional investors with total funds under management of around \$2 trillion, sitting on the IGCC's Policy and Resilience Working Groups.



**Better Buildings Partnership:** Investa is a founding member of the City of Sydney's Better Buildings Partnership aimed at improving sustainability in the built environment in Sydney.



# Innovation at Investa

**Investa builds cutting edge advanced analytics to identify hidden value**

The property industry is experiencing accelerated disruption. With the increasing amount of datasets at our disposal, rapid growth in the speed of technology and the uncertainty caused by events like COVID-19, the time is ripe for innovation.

Historically, the property industry was largely experience based. It was the knowledge of humans that helped us to understand trends, buy buildings, manage capital, lease, operate and sell buildings. But what if we could combine that human experience with data and artificial intelligence to generate insights?

At Investa, during FY20 we invested actively in building our Innovation, Data & Advanced Analytics Capability through:



Portfolio Performance Dashboards that provide one-touch, real-time reporting and metrics on portfolio performance



AI/ML Models to identify and source capital partners from around the globe – continually monitoring 10,000 investors and their investment mandates



Artificial Intelligence (AI) and Machine Learning (ML) Models to identify off-market opportunities, ingesting 11 different data sets and continually monitoring the entire market - identifying new possible acquisition targets



AI/ML Models that unpack the drivers of property value, allowing us to identify buildings (in the market) that are under-performing, and isolate the variables driving that underperformance. We are ingesting 40 data sets, and as a result, can “see value” in a new way, giving Investa a competitive advantage in acquiring and managing commercial real estate

To support this innovation capability, we are training 80 of our people in Data Literacy through Investa’s Innovation Institute. Graduates will receive a Certificate of Data Essentials in Property or a Certificate of Data Analytics in Property as they learn and upskill in how to think about, organise, analyse and communicate using data.

In recognition of these efforts, Investa was awarded the Best Internal Innovation across all industry sectors for its data, AI and decision intelligence project ‘360AI’ in the AFR BOSS Most Innovative Company Awards 2020, and came second in the overall category for Property, Construction and Transport.





# Our Community

## 2019 – 2020 Contribution and Impact

Through our Active in the Community program, Investa focuses on creating a positive social impact within the communities in which we operate, specifically targeting significant social issues prevalent in major Australian CBDs. Investa is committed to investing philanthropic time and resources in three key areas: homelessness, youth at risk, and natural hazard resilience.

To achieve these goals, we proudly partner with the Property Industry Foundation, the Sir David Martin Foundation, Dress for Success, Share the Dignity and the Triple Care Farm.





Run by The Sir David Martin Foundation (SDMF) in partnership with Investa, Abseil for Youth is an important initiative within Investa's Active in the Community program, with all funds raised from the event going to the Triple Care Farm.

In 2019, the event was held on the 17th and 18th of October at 1 Market Street, Sydney, a 33-level skyscraper in the Sydney CBD. For the first time, participants also had the option of ziplining off the rooftop, 135 metres to the ground.

A total of 185 abseilers participated, 12 of which were from Investa to mark the 10th Anniversary of Abseil for Youth.

An additional six corporate teams, totalling 31 participants, were formed from Investa's tenant base (ReadiNow, Versent, Mills Oakley Lawyers, InfoTrack, Lander & Rogers Lawyers (Melbourne) and CBRE)

An impressive total figure of \$326,177 was raised for the initiative. This included contributions of \$14,151.50 from Investa employee fundraising, \$36,948 from Investa tenant fundraising, a \$10,000 corporate donation from Investa and in-kind support to the value of \$35,000 by Investa in the lead up to, and on the day.

Since its foundation in 2010, Abseil for Youth has raised close to \$3million for young people with

substance addiction, mental illness, homelessness and unemployment.

During the 2019-20 financial year, a group of 10 staff also lent their physical support to the Triple Care Farm program spending the day at Triple Care Farm mowing lawns, repainting buildings, and cleaning up the gardens surrounding the Farm.

The Farm is an award-winning youth rehabilitation facility located in the Southern Highlands which helps to rehabilitate young people each year suffering with substance abuse, mental illness, homelessness and family breakdown.

## Case Study:

### Abseil for Youth 2019





## Case Study:

### Supporting Bushfire impacted communities

Like many Australians, Investa was shocked by the scale of the unprecedented bushfires that swept across the country during the 2019/20 Summer season. Investa employees were moved by the resilience and incredible bravery demonstrated by all those people directly impacted by the bushfires.

We were compelled to take action and play a role in the relief efforts at the beginning of 2020. Collectively, Investa raised close to \$28,000, which was donated to a wide range of different charities and organisations supporting the cause.

Investa launched a fundraising campaign on behalf of Vinnies Bushfire Appeal, leveraging the collective influence of its broad and diverse network of supporters, to collect close to \$8,000 for the worthy cause. Employees donated their time to volunteer across our portfolio of assets, which hosts more than 100,000 occupants daily, in a bid to raise much needed funds for the appeal.

Investa chose Vinnies Bushfire Appeal for the fundraising drive as 100 per cent of all money raised went directly to impacted individuals and communities. Vinnies has been established in the Australian community for more than 160 years.

10% of Investa's workforce (and counting) also took up the opportunity to avail of a free day of annual leave in order to travel to, and importantly spend money in impacted communities.



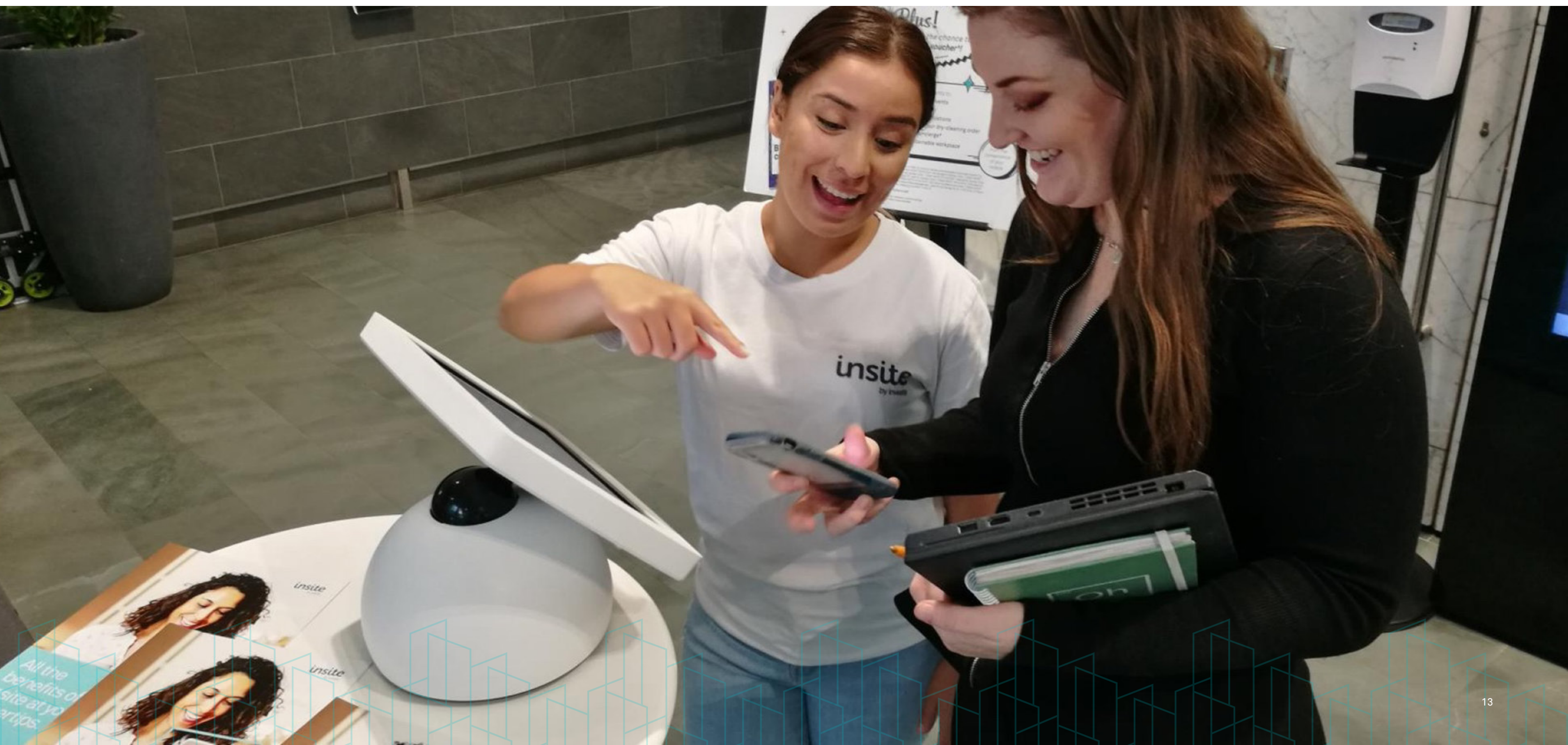


# Tenants Engagement

## Working together to create impact

In FY20 Investa implemented five new sustainability tenant engagement programmes throughout the portfolio, which delivered 36,980 unique visits to the Sustainability Tenant Toolkit, resulting in a 10% increase in tenants rating our communication of sustainability issues and initiatives as good, and very good.

Ultimately, these programmes aim to educate our building occupants on sustainability initiatives and inform them of how their everyday actions make a wider impact, and in turn aids Investa's commitment to our Scope 3 Carbon emissions reduction target of 42% by 2040.





## Case Study: Simply cups

The Simply Cups disposable coffee cup recycling program was introduced to all assets in the Investa Portfolio in FY20. The initiative has seen over 230,000 cups diverted from landfill - an equivalent of 4.6 tram loads full. By partnering with Simply Cups, the takeaway coffee cups are saved from landfill and repurposed and upcycled into outdoor furniture, carpark bollards and reusable coffee cups.



## Case Study: Mates on the Move

This year, Investa partnered with Mates on the Move, a social enterprise of the Prisoners Aid Association. Mates on the Move collect paper towel waste from Investa assets and ensure it is sustainably recycled and diverted from landfill while providing training, employment and reintegration opportunities for people leaving prison. In FY20 Investa piloted the Mates on the Move collection and accumulated 9,297kg of paper towels during that period.





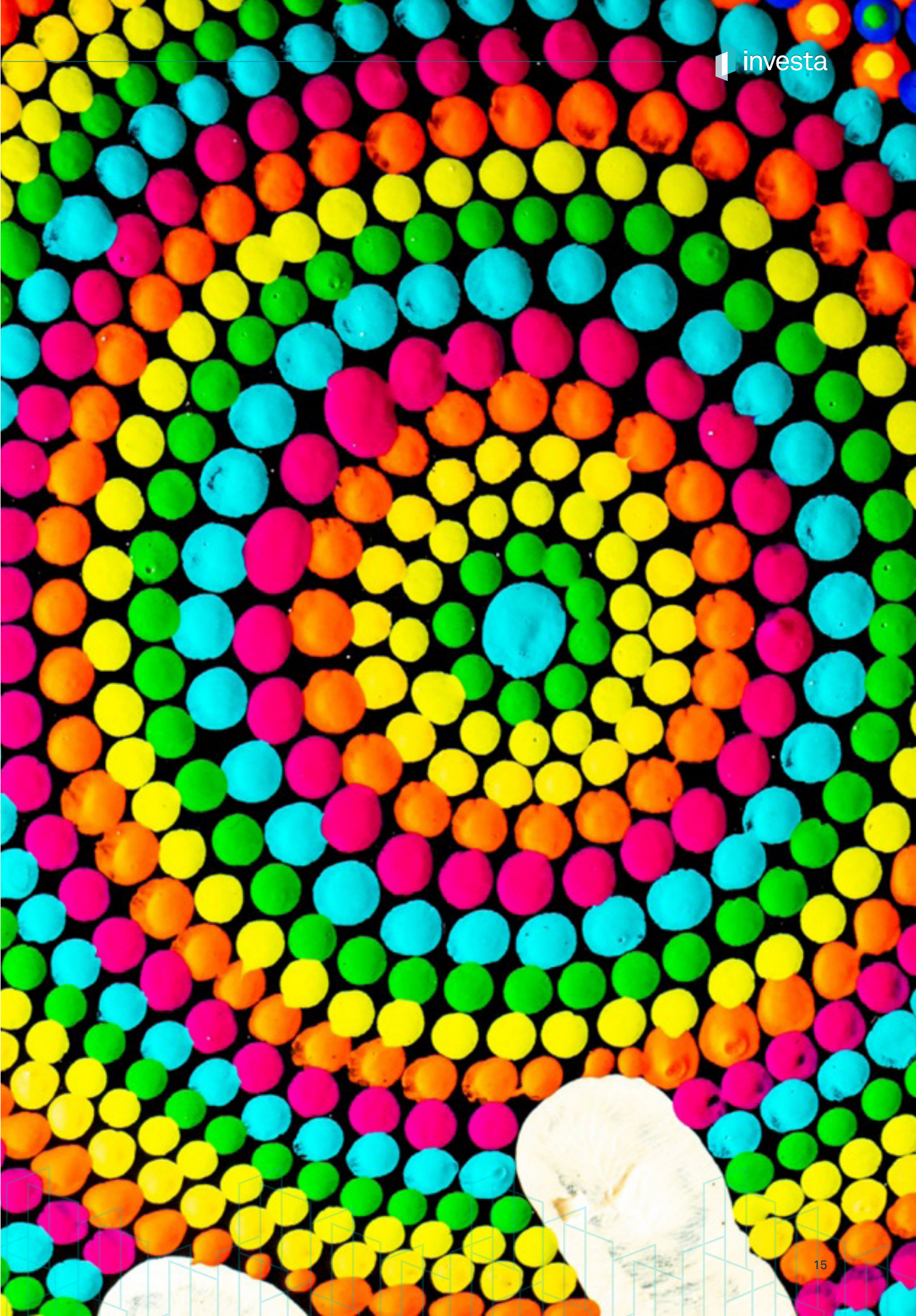
# Reconciliation in Action at Investa

Having launched our first Reconciliation Action Plan (RAP) – view it here – Investa continues our journey to learn more about Indigenous culture and contribute to reconciliation within the communities in which we operate. Committing to our first RAP allows Investa to spend time scoping and developing relationships with Aboriginal and Torres Strait Islander stakeholders, articulating our vision for reconciliation and exploring our sphere of influence. This process will provide the solid foundations to ensure our future RAPs are meaningful, mutually beneficial and sustainable.

In accordance with the targets set in Investa’s initial ‘Reflect RAP’, in FY20 Investa has;

- ☒ Built respectful and mutually beneficial relationships with Aboriginal and Torres Strait Islander peoples and groups, including the Metro Local Aboriginal Land Council, the National Indigenous Culinary Institute, Guwara School for Indigenous Students and Wirrpanda Supplies;
- ☒ Raised internal and external awareness of Investa’s RAP and commitment to reconciliation with staff, tenants and investors;
- ☒ Elevated our employees’ knowledge and understanding of First Nations’ cultures by providing cultural awareness training and celebrating key events including NAIDOC week and National Reconciliation Week; and
- ☒ Actively acknowledged and recognised Aboriginal and Torres Strait Islander cultures and dates of significance.

Investa invites all our investors, tenants and staff, as well as the broader community to join us on this journey, as we look to progress to an ‘Innovate level’ RAP, continuing Investa’s commitment to reconciliation in Australia.





# Our People



## Letter from Amy Wild, Group Executive, People & Culture

As we pause to reflect on our achievements and progress this year, it is difficult to do so without acknowledging the significant challenges that 2020 brought with it. The devastating bushfires which swept the east coast of Australia have left an enduring scar on this country's landscape, wildlife and indeed on the many communities and lives impacted. A timely reminder, if we needed a further one, of the need for material and sustained action on climate change. Investa was proud to partner with Vinnies to raise much needed funds for families in need of support to recover and rebuild – and we continue to support our people to contribute to the economic recovery of impacted communities across the country.

In these unprecedented times amidst a global health crisis, we are reminded of how fragile this world can be. But we are also reminded of the power and importance of authentic leadership, resilient organisational culture and an unwavering focus on human connection and inclusion. If anything, our resolve to act and drive sustainable change has been strengthened.

We are immensely proud to have been recognised for the first time as a Workplace Gender Equality Agency Employer of Choice for Gender Equality 2019/20. The market-leading changes made to our Flexible Working, Parental Leave and Domestic and Family Violence policies, including providing unlimited paid leave for victims of gendered violence, serve to both reinforce the inclusivity of our workplace and our commitment to addressing the ongoing gender equity challenge we face as a society. At the same time, the Black Lives Matter protests around the world reminded us of the importance of our work delivering against Investa's inaugural Reconciliation Action Plan.

At the end of this pandemic and economic crisis, employers will be judged by the decisions they made and remembered for the way they treated their people. Our focus on creating a compelling employee experience and inclusive, connected culture has never been stronger. We are proud to have increased employee engagement by 11% in the past 12 months through listening, learning and acting in response to our people's feedback. 96% of our team members say they would recommend Investa as a great place to work. We know this translates into the effort and commitment they bring to work each day to deliver exceptional service to our customers and outstanding results for our investors.

Amy Wild  
Group Executive, People & Culture



# Our People

At Investa, our success is underpinned by our people who foster a collective culture of inclusiveness, strive for excellence and enable Australian work life to thrive. By empowering and encouraging our people to make a difference, investing in their development and supporting them holistically, this allows for greater innovation and translates to sustainable long-term results for our investors.



## Employee Engagement

We know that an engaged workforce connected through Investa’s unique culture is central to delivering outstanding business results and enabling our people to reach their full potential. The 2020 Investa employee engagement survey delivered an 81% engagement score, which exceeded the Australian national benchmark (70%) and was an 11% improvement on our 2019 result. Through a resolute focus on listening to and acting on employee feedback, Investa is proud to have achieved a 96% Employee Net Promoter Score (eNPS) and to have improved engagement in every factor measured by the survey. Importantly, 94% of our people agree that Investa’s commitment to corporate social responsibility is genuine. Investa was recognised for the quality of employee experience we curate for our people through being awarded Employer of Choice in both the 2020 Australian Business Awards and 2020 Australian HR Awards.



Winner Australian Business Awards 2020 – Employer of Choice. And the 2020 Australian HR Awards- Employer of Choice



96%

Employee Net Promoter Score (eNPS)



81%

engagement score, 11% above Australian benchmark



# Diversity & Inclusion

Investa is firmly committed to fostering an inclusive workplace and culture where our people feel safe and supported to bring their whole selves to work. In doing so, we tap into the full potential of our diverse and talented workforce. Our passionate Diversity Committee is chaired by our CEO and involves volunteers from across our business, working in partnership with our People and Culture team to deliver against Investa’s diversity and inclusion strategy. In FY20, our focus continued on improving gender equality, LGBTQ inclusion, improving Aboriginal and Torres Strait Islander workforce representation (refer [Reconciliation Action Plan](#)), cross-cultural capabilities and inclusion of people with diverse abilities, through our partnership with [Job Support](#). Diversity and inclusion are firmly embedded cultural attributes at Investa and are central to the way craft people strategies. We are proud that Inclusion is the highest ranking area in our employee engagement survey, with 96% of employees agreeing that Investa values diversity.

Supporting gender equality remains a central focus of our work. Investa was recognised for the first time in 2019/20 as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency (WGEA). We have a five-year Gender Equality Strategy & Action Plan, endorsed by the Board, with clear targets in place across areas including workforce representation, promotions and recruitment and pay equity. Investa’s workforce is 51.17% female with a 40% senior management cohort. For the fourth consecutive year Investa is targeting a 40:40:20

workforce composition (40% female, 40% male, 20% balance variable) and holds managers accountable to achieving this through performance targets. From the results of our recent employee engagement survey, 94% of our people agree that their immediate manager supports equality between the genders.

Investa delivers pay parity for our male and female employees in equivalent roles. Investa’s CEO Jonathan Callaghan is a WGEA Pay Equity Ambassador and, like many Australian organisations, we remain focused on closing our overall organisation-wide gender pay gap through addressing female participation in leadership roles and traditionally male-dominated job functions, including property development and facilities management.

Investa also supports gender equality in the property industry. We are a founding and active member of the Property Male Champions of Change (PMCC) and active participants in the 500 Women in Property program, an initiative of the Property Council of Australia (PCA) that provides opportunity for women to build their professional networks and develop their careers. Under the leadership of Investa’s Head of Investment Management, Penny Ransom, then chair of the PCA NSW Diversity Committee, we also continued to support the PCA Girls in Property Program, which provides female high school students with the chance to explore career opportunities across the property sector.



## Targets



51.17%

female workforce



40%

female senior management cohort



96%

employees believe Investa values diversity



WGEA Employer of Choice for Gender Equality 2019/20



Property Male Champion of Change



WGEA Pay Equity Ambassador



## Flexibility

We understand that our people have many and varied responsibilities and interests outside of the workplace and firmly support all of our people to work flexibly, for any reason, in any role and at any level of seniority in our business. In 2019 Investa launched an expanded flexible working offering, providing over 21 different flexible working options to meet the needs of our diverse workforce now and into the future. 74% of Investa's workforce are engaged in either formal or informal flexible working arrangements, with 94% of our people agreeing that they have the flexibility they need to manage work and other commitments (2020 employee engagement survey). Our flexible working program has been recognised externally with Investa winning an Excellence Award in the Australian HR Awards for 2020.

Adapting to COVID19 operating conditions increased our focus on providing flexibility to teams. Our strong IT capabilities enabled rapid transition to home office set ups. Ultimately this resulted in the business being operational remotely overnight with minimal disruption.

Investa delivered market-leading enhancements to its parental leave policy in 2019, to be more inclusive and better recognise that everyone's journey to parenthood is different. Our policy provides support for assisted reproduction, surrogacy, adoption, foster parents, pregnancy-related illness, miscarriage and stillbirth. We even offer paid grandparents leave, recognising the increasingly important role mature workers are playing with their children's young families. We strongly encourage our new parents, irrespective of gender, to take primary carer parental leave and offer a range of support options around return to work. Investa is also committed to addressing the gender-based retirement savings gap by continuing superannuation contributions for employees while on parental leave.

Investa recognises that domestic and family violence is a significant issue in Australian society and we are firmly committed to supporting any of our people impacted by this through a range of mechanisms. In 2019 we further enhanced our policy to provide uncapped paid leave to victims, as well as strengthened financial and safety support measures.

## Health & Wellbeing

Investa actively supports the mental and physical health of our people through provision of a comprehensive health and wellbeing program. In partnership with Uprise, our employee assistance program offers free face-to-face, video, telephone and online chat counselling and wellbeing coaching support services to our employees and their families. Our program includes regular training sessions on topics such as mental health, mindfulness, sleep, healthy eating, exercise, ergonomics and more. Our staff are provided with benefits including discounted and subsidised gym class access, healthy food options in the workplace, annual influenza vaccinations and skin cancer checks.

We strongly encourage our people to take appropriate time away from work to recover from illness through a compassionate and generous sick leave policy. We also offer Wellbeing Leave, encouraging our people to

pro-actively take time away from work to do something positive for their physical and mental wellbeing.

In 2020 Investa's response to the COVID-19 pandemic has been one of compassion and support as it relates to our people. We have focused on keeping our people connected, supporting them to work productively – and to take time out to focus on priorities at home as needed. In a pulse survey conducted to understand our people's experiences of working remotely during the pandemic, 98% agreed our executive team were keeping them informed, and 97% knew where to go if they needed support. We remain focused on ensuring the safety and wellbeing of our people at this challenging time with a range of elevated health and safety protocols and support measures in place for our employees, as well as the occupants and visitors to the buildings we manage.





# Responsible Investment

## Green Debt

As a proud supporter of the developing sustainable finance sector in Australia, Investa was an early mover in leveraging our +15years of sector leadership into financial opportunity. In 2017, Investa’s Commercial Property Fund issued it’s first Green Bond, quickly followed by Australia’s first corporate Green Loan in 2018, and has since continued to transition “grey” debt facilities into competitively priced green finance. ICPF continues to lead the development of the green finance sector, with Green Debt now accounting for 73% of total current bank facilities, and 63% of all

debt facilities. The fund has now issued more than \$1B in green debt to date, which is an exceptional result.

All Green Debt is certified by the Climate Bonds Initiative (CBI) and verified by an annual programmatic assurance programme. Pleasingly, the Funds continual carbon performance reductions year on year, ensure CBI certified assets continue to sit well below the CBI Low Carbon Building threshold, achieving a comfortable 11% below the weighted average figure required.

## Achievement



**73%**  
of all ICPF debt is Green Debt



**11%**  
CBI threshold headroom

## more about CBI portfolio performance

FY20				
Scope 3 emissions intensities	Net Lettable Area (m2)	Emissions intensity (kgCO2-e/m2/yr)	CBI threshold (kgCO2-e/m2/yr)	Headroom
40 Mount Street, North Sydney	28,461	45.15	73.01	-38%
259 Queen Street, Brisbane	24,794	80.59	72.03	12%
567 Collins Street, Melbourne	54,190	43.86	71.38	-39%
201 Kent Street, Sydney	40,502	58.50	73.01	-20%
1 Market Street, Sydney	29,204	75.95	73.01	4%
135 King Street, Sydney (Office)	27,145	59.24	73.01	-19%
126 Phillip Street, Sydney	41,492	63.69	73.01	-13%
400 George Street, Sydney	45,558	92.71	73.01	27%
420 George Street, Sydney	37,598	48.16	73.01	-34%
120 Collins Street, Melbourne	63,453	86.23	71.38	21%
250 St Georges Terrace, Perth	61,197	37.34	56.03	-33%
117 Clarence Street, Sydney	11,339	70.81	73.01	-3%
Total	464,933	62.57	70.31	-11%





## Taskforce on Climate Related Financial Disclosure

Investa is committed to disclosing the Group's material climate risks and opportunities, in line with the global Taskforce on Climate Related Financial Disclosure's (TCFD) recommendations and supporting statements made by APRA<sup>(1)</sup> and ASIC<sup>(2)</sup>. As per the TCFD's final recommendations, the below provides a summary of Investa's TCFD progress.

**Governance:** The Group's governance regarding climate risk flows through the Audit and Operational Risk Committee (a sub-board committee featuring Board level representation), with the Group's dedicated ESG team regularly reporting to the Committee.

**Strategy:** The Group's climate risks primarily relate to increased natural hazards affecting building operations, energy procurement, customer sector exposure, ability to attract high quality tenants based on building performance, attraction of capital, and reductions in operating costs. The Group's carbon reduction strategy, developed to address these risks and opportunities, is integrated into each building's long-term Strategic Asset Plan and budget. Acquisitions strategies also consider climate risk and opportunity during the due diligence process prior to final pricing.

**Risk Management:** The Group's approach to identifying, assessing, and managing climate risk is set out in the Platform's biannual Risk Reports and Risk Registries, which are both TCFD aligned. The Reports and Registries include present day material risk identification and an interrogation of three climate change scenario investigations, produced in conjunction with the UNEPFI, case studies available [here](#) and [here](#).

**Metrics & Targets:** Investa set the industry's first Australian Science Based Target for emissions reductions, committing to net zero emissions by 2040. Investa has been carbon neutral since 2017 and offsets operational business emissions annually. Other metrics and targets used by Investa to assess and manage climate risk include carbon emissions intensities, energy prices, vacancy rates, total tenant sector exposure percentages, resource consumption performance (energy, water, and waste), and debt pricing.



(1) *Climate Change: Awareness to Action*, APRA Information Paper, March 2019

(2) *ASIC Regulatory Guides RG228 and RG247*, August 2019



# Governance

The Investa Board of Directors are responsible for the oversight of the Investa Sustainability Strategy and related policies. The Board is directly informed by the Investa Audit and Operational Risk Committee (AORC) a Board sub-committee, composed of both Investa Executives and Board members. Importantly, Syd Bone is an independent Chairman of the AORC.

The General Managers of Corporate Sustainability and Responsible Investment, and General Manager Environment, Health and Safety report directly to the AORC and on occasion where warranted, directly to the Investa Boards. Both roles provide regular updates regarding management activities, progress reports, risk reviews and audits.

With the AORC responsible for oversight, the Investa Executive approve the implementation of the Investa Sustainability Strategy and Carbon Reduction Strategy, detailed policies, and the setting of aligned targets.

The General Manager of Corporate Sustainability and Responsible Investment, and General Manager Environment, Health and Safety are dedicated resources, responsible for the implementation of the various strategies, and appropriately reporting to various governance bodies as appropriate.



## Safety report

The global COVID-19 pandemic's impact in Australia required us to take a proactive approach in FY20 to ensure the health and wellbeing of Investa's employees, tenants and visitors to our buildings.

Investa quickly adapted the way it does business in accordance with government directives. Actions taken included:

- Early establishment of a dedicated COVID-19 Working Group which:
  - Developed a COVID-19 Response Plan in alignment with Investa's Business Continuity Plan, Crisis Management Plan, and emergency and risk management frameworks. Escalated and de-escalated levels of control measures were implemented in alignment with government policy and the apparent risks;
  - Implemented elevated cleaning, hygiene and social distancing measures across Investa buildings to keep tenants and occupants safe. Investa social distancing floor decals and instructional signage were also deployed;
  - Forward planning of activities including Completed building profile risk assessments for all assets;
  - Weekly reporting to the IOMH Board, AORC and owners/investors on key actions undertaken as part of our response;
  - Creation of Return to Work collateral and a video guided our tenants and occupants to prepare for their return to their workplace.
- A number of additional sub-committees including a COVID-19 Investment Forum, focused on the management of rental relief and abatement requests, a Future of Work Committee, focused on defining a future focused strategy for commercial real estate and a Technology focused workstream were also established.

In addition, Investa's Safety Health and Environment Management System maintained certification to AS/NZS 4801 and began the process of undertaking a migration certification to ISO 45001.

In FY20, over 2.14 million hours of work were undertaken by staff and contractors across Investa sites.

During FY20 there were 136 recorded incidents (down from 197 in FY19), 19 of which resulted in injuries requiring medical treatment or assignment of alternative duties (up from 18 in FY19) and 3 resulted in lost time (down from 18 in FY19).



# Environmental Performance

Investa continues to progress towards its ambitious Net Zero by 2040 target, recording a 6.4% decrease in carbon emissions intensity this year. These reductions have been achieved by Investa's dedicated on site property and facilities management teams, ensuring our assets are managed expertly and efficiently.

567 Collins St in Melbourne recorded a 14.3% drop in carbon emissions intensity, pairing a Building Operational Efficiency Programme targeting Air Handling Unit fan tuning and pump staging, with after-hours audits, which eliminated unnecessary plant running overnight. Efficiencies were also achieved through the installation of sensors for lighting requirements in building common areas including fire stairs and carparks.

Historical, asset specific performance of Investa's portfolio is available [here](#).

	Electricity intensity (kWh/sqm/yr)	Gas intensity (MJ/sqm/yr)	Carbon emissions (kg.CO2/sqm/yr)	Change since FY19	Water intensity (L/sqm/yr)	NABERS Energy Rating (stars)	NABERS Water Rating (stars)	% waste diverted from landfill^
1 Market Street, Sydney	80.69	51.70	68.03	-3.50%	700.07	4.5	4.0	19.2%
105-151 Miller Street, North Sydney	59.40	77.83	52.12	-9.04%	764.08	5.0	4.0	11.0%
117 Clarence Street, Sydney	78.68		63.73	N/A	975.44	4.5	3.0	**
120 Collins Street, Melbourne	70.08	139.65	78.68	-7.22%	604.36	4.0	3.0	30.2%
126 Phillip Street, Sydney	72.76	80.04	55.12	-10.83%	769.53	5.0	3.5	35.7%
130 Pitt Street, Sydney	70.59		57.18	4.74%	636.05	5.0	4.0	27.9%
135 King Street, Sydney (Office)	65.83	68.69	53.46	-2.55%	695.79	5.0	3.5	29.0%
151 Clarence Street, Sydney	60.57	39.52	51.1	N/A	661.92	N/A	N/A	41.1%
179 Turbot Street, Brisbane	58.49		47.38	-10.33%	630.12	5.0	4.0	16.3%
20 Bridge Street, Sydney	123.00	26.60	101.00	8.06%	857.49	3.5	3.5	**
201 Kent Street, Sydney	61.70	46.10	52.35	-7.51%	701.36	5.0	3.0	26.4%
250 St Georges Terrace, Perth	50.09	4.97	34.82	-5.90%	704.87	5.5	4.0	51.8%
259 Queen Street, Brisbane	86.66		70.19	7.45%	554.72	5.0	4.0	14.7%
347 Kent Street, Sydney	76.49		61.95	-17.34%	700.62	4.5	3.5	31.5%
388 George Street, Sydney	DS	DS	DS	DS	DS	DS	DS	
40 Mount Street, North Sydney	55.24	55.32	38.01	-8.48%	635.99	5.5	3.5	33.5%
400 George Street, Sydney	101.51	21.06	83.31	5.75%	673.94	4.5	4.0	35.1%
420 George Street, Sydney	50.18	46.59	43.05	-1.13%	573.77	5.0	4.0	8.5%
567 Collins Street, Melbourne	33.64	111.54	40.06	-14.14%	608.97	5.0	3.5	33.7%
575 Bourke Street, Melbourne	56.01	120.54	63.35	N/A	624.39	4.0	3.0	36.6%
6 O'Connell Street, Sydney	78.02	116.62	69.81	2.37%	958.61	4.5	3.5	27.8%
60 Martin Place, Sydney	DS	DS	DS	DS	DS	DS	DS	
850 Collins Street, Melbourne	56.59	89.88	62.35	N/A	324.88	4.0	4.5	33.2%
FY20	68.04	74.24	60.24	-	668.19	4.64	3.56	28.3%
FY19	71.56	81.12	64.33	-	677.68	4.75	3.83	
change	-4.92%	-26.44%	-6.35%	-	-1.40%	-0.10	-0.27	

^waste diverted from landfill represents only 11 months of continuous statistics, as Investa's existing waste data collection methods began in May 2019, with the data representing coverage from May 2019-March 2020

\*these assets do not use gas

\*\*these assets are not a party to Investa's existing waste contracts and as such have not been subject to assurance. For this reason, these figures are omitted from this report.

DS these assets were development sites for part of the reporting period and as such are excluded from this report which reports a full 12 months of data coverage across the portfolio.



## Assurance

Investa continues to report environmental performance intensity metrics across our whole portfolio (see above). For an asset by asset breakdown of operational performance, please visit our public website; [www.investa.com.au/about-investa/sustainability/results-and-reports](http://www.investa.com.au/about-investa/sustainability/results-and-reports).

KPMG has been engaged to provide limited assurance on the performance data opposite for the year ending 31 March 2020, consistent with ASAE 3000 and ASAE 3410. KPMG's assurance statement and Investa's Reporting Rules can be found on Investa's public website as listed above.

## Carbon Neutral Business

As part of Investa's commitment to net zero carbon emissions by 2040, Investa has been a carbon neutral business since 2017. To achieve this, Investa has annually offset all the emissions associated with the running of the Investa Office business, which during FY20 accounted for 510t.CO<sub>2</sub>, the equivalent of 73 Australian households. This includes emissions associated with employee travel, transport, waste and recycling, energy and water consumption.

Being a carbon neutral business is consistent with Investa's leadership in responding to climate change and reflects a pro-active approach to reducing emissions. Offsetting the emissions associated with running the Investa business, has allowed Investa to engage tenants in this area, encouraging them to follow suit and offset their emissions, thus reducing the broader carbon footprint of Investa's portfolio, consistent with the commitment to reduce Investa's scope 3 emissions in line with our industry first Science Based Target.

This year, Investa purchased biodiversity carbon credits from the Mount Sandy Conservation Site in Coorong, South Australia, aligning with staff's overwhelming preference for local, Australian biodiversity credits and formed a part of Investa's support for communities affected by this summer's bushfires.





## Case Study:

### Carbon Calculator for embodied carbon reductions

As part of our Science based target of Net Zero by 2040, Investa's Capital Projects team has been focusing on optimising efficiency, building materiality, production and supply chain as well as other sustainability credentials like reducing waste to landfill and increasing recycled content and improving reusability. We are working closely with our service providers commencing very early in the projects to ensure that carbon friendly design principles are adopted, targeting a 45% carbon reduction in projects in the first 5 years. Our methodology has been applied to 7 projects so far in the last 9 months and we have exceeded our targets in all areas we targeted.



Investa's target, based on our 2040 initiative was 40% and we have achieved 45% average embodied carbon reduction with a total of 6.6m kg-CO2 avoided. This is equivalent to 3 years of operating carbon for 201 Kent Street. Lead by our Head of Capital Projects, Guroi Candemir, the team have worked with 20+ consultants to achieve this outcome and is now influencing others in the industry to follow our lead.

1 Market, 135 King, 201 Kent and 347 Kent are the assets that we have verified reports so far this year. We achieved results varying between 12% and 62%. The Footprint Company's building life cycle software was used to quantify the footprint of a proposed new project and develop pathways to minimise the

carbon footprint. These outcomes were converted into a carbon development performance brief. Last year, we have developed the High Performance Guidelines to guide and brief our architects, engineers and consultants in the selection of construction materials and finishes with less embodied carbon content and other sustainable credentials like reducing waste to landfill and increasing recycled content and improving reusability

Investa is proudly leading the market in scientifically reducing the carbon footprint in asset upgrades, refurbishments, fit-outs as well as service upgrades delivered to improve the efficiency of our assets.



# Contact Us

All enquiries can be directed to:

## Investa

Level 30, 420 George Street  
Sydney NSW 2000

02 8226 9300 (Phone)  
02 9844 9300 (Fax)

