



Sustainability Financing
Framework



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Chapter 1: Introduction

Company Overview

Port of Newcastle (PON) is Australia's deepwater global gateway, the largest on the nation's East Coast. It is more than a port, it exists to build Australia's prosperity with responsible, integrated and innovative supply chain solutions.

PON's vision is to become Australia's first-choice East Coast port, able to accommodate, attract and grow a diverse trade base in an efficient, sustainable and innovative manner.

With trade worth about \$37 billion to the national economy each year, PON enables Australian businesses to successfully compete in international markets.

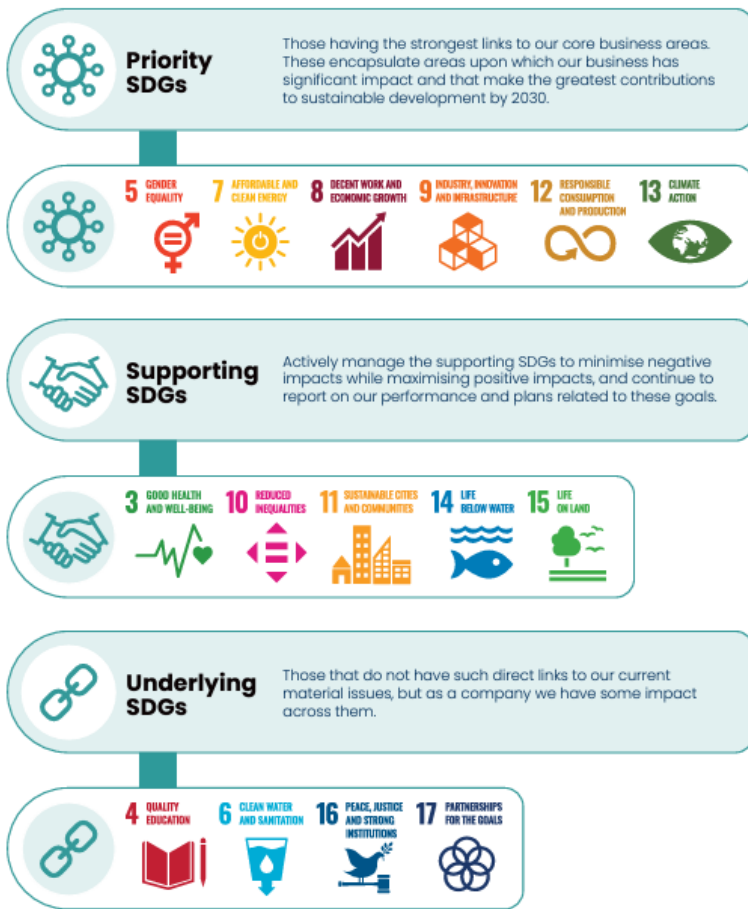
The port currently handles over 4,600 ship movements and 166 million tonnes of cargo annually. With a deepwater shipping channel operating at 50% of its capacity, significant port land available and enviable access to national rail and road infrastructure, PON is positioned to further underpin the future prosperity of the Hunter, NSW and Australia.

As custodians of the region's critical asset, PON is diversifying its trade as it strives to create a safe, sustainable and environmentally and socially responsible future.

PON's shareholders, The Infrastructure Fund managed by Macquarie Asset Management (MAM), and the China Merchants Port Holdings Company (CMPort), each own 50 per cent and have a strong global history in managing large infrastructure assets. PON's Directors comprise representatives from both shareholder groups.

PON has in place a robust governance framework to ensure that it operates the business in a responsible manner. PON's framework includes management systems and processes aligned with international standards. To further support and enhance PON's responsible management practice the PON Board of Directors provide a key role in overseeing its approach.

PON is committed to complying with all laws and policies in relation to the Modern Slavery Act and have processes in place to analyse modern slavery risks in the supply chain.



Port of Newcastle is committed to aligning its sustainability commitments with the principles of the United Nations Sustainability Development Goals (SDGs). PON aligned its ESG Strategy with the SDGs in 2020 as part of its membership with the NSW Government Sustainability Advantage Program and have continued to embrace the goals as it sets about pursuing initiatives and integrating them into business-as-usual operations to make a sustainable impact.

Of the 17 SDGs, PON has identified those that directly resonate with its business. To enable PON to focus on making its greatest contribution, those relevant SDGs have been prioritised across three categories, being Priority SDGs, Supporting SDGs and Underlying SDGs.

FIGURE 1: PON ALIGNMENT TO THE UN SDGS

At the heart of PON's operations is its people. PON seeks to provide a safe, secure, and inclusive environment that protects people and promotes their wellbeing, striving to have robust systems in place, enabling compliance, commerciality and efficiency within a culture of mutual respect.

The safety and wellbeing of the people and the port community are a top priority for PON. This focus extends to mental wellbeing as well as physical health. PON endeavours to ensure its employees are supported both at work and at home through a range of programs, policies, workplace benefits, training and development opportunities, and wellbeing initiatives.

PON has implemented a Mental Health First Aid training program and provides regular seminars to eliminate the stigma around mental health and to provide staff with the skills needed to support their peers and enhance their own wellbeing.

PON's policies encourage workplace diversity and empower social inclusion – irrespective of age, sex, disability, race, ethnicity, origin, religion, or other status.

PON challenges what has traditionally been a male-dominated port industry by promoting the empowerment of women and providing equal opportunities for leadership. We are committed to achieving greater equality and diversity in the workplace.

PON works with the community on initiatives that contribute to local and regional sustainability outcomes such as through the Community Sponsorship Program.

PON provides funding and in-kind support to community projects that give rise to thriving, prosperous communities. PON also collaborates with its customers to co-create operational efficiencies, contributing to

economic growth through a superior supply chain. PON partner with tenants on initiatives that provide lasting social and environmental benefits.

PON has assessed both the physical and transitional risks associated with climate change in line with the recommendation of the Taskforce for Climate Related Financial Disclosures (TCFD).

In addition to understanding and managing the direct business risks associated with climate change, PON are committed to supporting the multilateral efforts to limit the global temperature rise this century to well below two degrees centigrade.

As well as embedding sustainability principles across the Port's operations, PON's focus is on diversifying trade and the regional economy, improving the efficiency of existing supply chains, and supporting the global trend towards the use of renewable energy.

PON is committed to being responsive to changes in global demand and national economic policy. The Port's diversification agenda positions Newcastle as Australia's leading Energy Port, supporting the region's transition to alternative energy solutions. Already, PON are the port of choice for windfarm developments in regional NSW.

Chapter 2: Sustainability Financing Framework Approach

Scope:

PON has developed this Sustainability Financing Framework (SFF) to demonstrate how they intend to enter Sustainability Financing Transaction (SFTs).

This SFF has been developed to take two distinct approaches to enable PON to enter both Sustainability Linked Loans (SLLs) and Green Loans and/or Green Bonds, (collectively referred to going forward as Green Instruments).



FIGURE 2: PON SUSTAINABILITY FINANCING APPROACH

An external review in the form of a Second Party Opinion (SPO) has been provided by DNV GL to confirm the alignment of this SFF and underlying procedures with the following market standards:

- The APLMA/LMA/LSTA Sustainability Linked Loan Principles (SLLP) 2022
- The APLMA/LMA/LSTA Green Loan Principles (GLP) 2021
- ICMA Green Bond Principles (GBP) 2021
- ICMA Climate Transition Finance Handbook 2020

The ICMA Climate Transition Finance Handbook defines four key elements for borrower climate transition disclosures:

1. Issuers climate transition strategy and governance;
2. Business model environmental materiality;
3. Climate transition strategy to be 'science based' including targets and pathways; and
4. implementation transparency

A copy of PON's SFF and the associated DNV GL SPO is available on the PON public website at <http://www.portofnewcastle.com.au>

Exclusions:

PON will not knowingly be involved in financing any of the following activities through the proceeds of any SFT: weapons, gambling, tobacco or predatory lending.

PON will not knowingly enter any sustainability transaction where the proposed KPIs are unachievable or where they cannot be supported by verifiable data. PON will not use or provide misleading information to convey a false impression of its sustainability commitments and performance.

Impact Reporting

In accordance with the ICMA 2022 Harmonised Framework for Impact Reporting handbook, PON will seek to utilise both qualitative and where feasible quantitative performance indicators in its sustainability reporting to demonstrate performance against the sustainability themes and categories described in this SFF and as they are applicable to any SFTs. Reporting will be subject to the availability of information and confidentiality requirements. A table of potential performance indicators against which PON will endeavour to report where relevant to its SFTs is provided in Appendix A.

Chapter 3: Sustainability Linked Financing

The fundamental purpose of this approach is to incentivise PON’s efforts to improve its sustainability profile through aligning loan terms to PONs performance against mutually agreed, material and ambitious pre-determined Sustainability performance Targets (SPTs) as set against predefined Key Performance Indicators (KPIs).

In line with the Sustainability Linked Loan Principles (March 2022), this SFF considers five core components to define the characteristics of PONs approach for entering SLLs:

1. Selection of KPIs
2. Calibration of SPTs
3. Loan Characteristics
4. Reporting
5. Verification

KPIs and Target Setting

Based on PON’s ESG Strategy commitments and the ICMA GBP sector KPI development guidance, a range of sustainability issues have been identified as being relevant, core and material to the business and of high strategic significance to both PON’s current and proposed future operations.

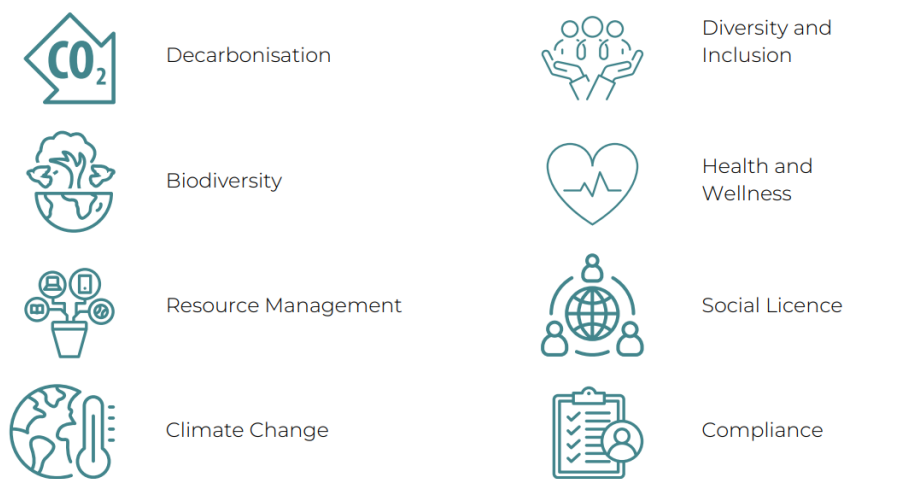


FIGURE 3: PON RELEVANT SUSTAINABILITY ISSUES

In defining and calibrating the SPTs, PON will ensure that the SPTs represent a material improvement in the respective KPIs, beyond a “business as usual” trajectory. Where there is a relevant benchmark or standard, where possible, PON will seek to compare against these.

Ambitious KPIs and SPTs will be agreed with PON’s lenders for each SLL on a case-by-case basis.

When entering a new SLL, PON and its lender(s) will agree on the appropriate information to be incorporated into the documentation for that SLL, including the items below:

- a set of KPIs and associated SPTs
- the respective methodology and baselines for those SPTs
- where there is data available, PON will provide at least three years of measurement track record on the selected KPIs.
- where there is information available, the SPTs relative positioning to PONs industry peers
- reference to science and/or official country/regional/international targets
- if relevant, in what situations recalculations or pro-forma adjustments of baselines will be required
- frequency of measurement of SPTs (expected to be annually)

- timeline for measurement and reporting of sustainability performance
- incentives applicable after SPTs are achieved.

In arranging its SLL product, PON may elect to appoint the assistance of one or more “Sustainability Coordinator(s)” or “Sustainability Structuring Agent(s)” to assist with negotiating the KPIs and calibrating the SPTs.

External Review and Verification

To demonstrate the credibility of the proposed SLL to its lenders, and in line with the APLMA/LMA/LSTA 2022 guidance on External Reviews, PON will seek a formal Second Party Opinion (SPO) as to the relevance and appropriateness of the final suite of KPIs and associated SPTs.

PON will engage an appropriate external review provider, to independently verify performance against the KPIs as required for each SLL entered. This includes external review on an ongoing basis as required (expected to be annually) for the tenor of the loan. This external review may take the form of assurance, second party opinions, evaluations from organisations such as rating agencies and sustainability advisors, or any other form of independent review that is accepted by the market.

Once reporting has been completed and the external review has taken place, the lender(s) under each SLL will evaluate PON’s performance against the SPTs based on the information provided by the external review provider. The interest rate on the loan will be adjusted according to performance against the Sustainability Performance Targets using margin adjustments agreed between PON and the lender(s).

Reporting

PON will make and keep readily available up to date information relating to its KPIs and performance against its SPTs within the PON internal record keeping system.

On an annual basis, PON will submit an annual report to the lender(s) under each SLL, which provides evidence of performance against each SPT. To support its annual report, PON will also seek third party assurance from an appropriate review provider to demonstrate compliance to its Lenders. This will be presented in the form of an SLL Annual Verification Report provided to the relevant lenders under each SLL.

On an annual basis until all Sustainability Linked Loans are fully and finally repaid, PON’s performance against the KPIs underpinning its SPTs will be reported in PON’s annual Sustainability Report and made available on its public website.

The following information will be produced and provided as shown below:

Item	Frequency	Availability
PON Sustainability Report	Annually.	PON website
Second Party Opinion on Sustainability Linked Loan	At the time of entry into each sustainability linked loan entered into under this Framework.	To Lenders
Sustainability Linked Loan Annual Verification Report	Annually for all outstanding Sustainability Linked Loans.	To Lenders

TABLE 1: PON SLL REPORTING OBLIGATIONS

Chapter 4: Green Financing

In this SFF, PON refer to Green Loans and Green Bonds collectively as Green Instruments (Green Instruments).

The issuance of Green Instruments under this Framework will contribute towards sustainable development by earmarking the proceeds to finance, or refinance, projects and other related and supporting expenditures that fall within the categories of Eligible Green Projects described in this SFF and deliver clear environmental benefits which support PON’s strategy and vision.

Each Green Instrument will align with the following four core components of the GLP and GBP as described in Part C of this Framework:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The PON Chief Executive Officer is responsible for the oversight of this SFF including the addition of new Eligible Green Projects and the selection of eligible projects and assets. An overview of the process is provided below:



FIGURE 4: PON PROCESS FOR ENTERING GREEN INSTRUMENTS

Use of Proceeds

The net proceeds of each Green Instrument issued under this framework will be exclusively applied to finance or refinance, in part or in full, new and/or existing Eligible Green Projects. Table 3 identifies the relevant GLP/GBP eligibility categories, potential eligible green projects, environmental objectives and UN SDG alignment and contribution. It is expected that this table will be dynamic and updated to ensure that it continues to reflect PONs strategy and priorities. It should be noted that the Eligible Green Categories under the GLP and GBP may also be expanded over time.

In instances where projects have components that meet the Green Instrument eligibility criteria and some components that do not, PON will disclose the assumptions about which component each disbursement relates (e.g., if it is assumed that disbursements are first made to the ‘green’ component, or pro-rated between the ‘green’ and ‘other’ components).

Process for Project Evaluation and Selection

PON has in place a robust process for project evaluation and selection. This process includes both internal and external assessment of potential Green Projects to determine and verify eligibility of each project in line with this SFF.

Project Managers will be required to demonstrate the eligibility of each project in line with the GBP/GLP eligibility categories described in this SFF. Each project will need to have in place a documented business case that captures the following information:

- Main environmental objective of the project
- Demonstrated alignment with the relevant UN SDGs
- Detail on how the project is aligned with:
 - PON's Corporate Strategy
 - PON's ESG Strategy
 - Strategic Port Development Plan; and
 - This SFF
- Confirmation that the project does not support any of the exclusions described in Chapter 2 of this SFF

Additionally, Project Managers will be required to demonstrate any environmental risks for the project have been identified and managed using the Port of Newcastle formal risk policy framework.

PONs project management stage gate process will be used to identify eligibility and track relevant approvals and documentation for the purpose of informing the annual third-party assurance review and Green Instrument Verification Report.

Each Eligible Green Project Business case will require internal approval from the PON Chief Executive Officer in their capacity as being responsible for the oversight of this SFF.

Any internally approved Eligible Green Projects for the reporting period, will be collectively reviewed externally on an annual basis as part of the annual Green Instrument Verification report process, described further below.

Management of Proceeds

To manage the net proceeds of each Green Instrument entered under this SFF, PON will establish a Sustainable Finance Projects Register, with the proceeds of each Green Instrument entered under this SFF being allocated to one or more Eligible Green Projects.

As a minimum the Sustainable Finance Projects Register will contain the following information:

Details of the Green Instrument(s):

- transaction date,
- principal amount of proceeds,
- settlement date,
- maturity date
- interest margin or coupon,
- ISIN (where relevant).

Details of Use of Proceeds:

- Summary detail of Eligible Green Projects
- Estimated environmental impact (where available)
- Confirmation of internal approval of each Eligible Green Project
- Amount of Green Instrument proceeds allocated to each Eligible Green Project category
- Aggregate amount of Green Instrument proceeds allocated to each Eligible Green Project and to eligible Green Projects in aggregate.
- Amount of Green Instrument proceeds yet to be allocated.

PON's the Sustainable Finance Projects Register will be managed and maintained as part of its financial system.

PON’s financial management system and project management system is integrated to enable clear tracking of funds applied to Eligible Green Projects and to enable PON to attest to the management of proceeds.

Pending application to Eligible Green Projects, the net proceeds of each Green Instrument (or an amount equal to those net proceeds) will be classified as undrawn. PON has committed to applying the net proceeds of each Green Instrument (or an amount equal to those net proceeds) to Eligible Green Projects within 12 months following receipt.

External Review and Verification

In line with the APLMA/LMA/LSTA 2022 guidance on External Reviews in connection with SFTs, PON will engage an appropriate external review provider, to provide an annual review and assurance that each Green Instrument remains in compliance with this Framework at least once annually. The outcomes of this annual assurance review will be presented in an annual Green Instrument Verification report.

Reporting

Annually, PON will disclose the use of proceeds of its Green Instruments in its published annual Sustainability Report and Green Instrument Verification report. Projects to be included in the reports will be those that have been approved or determined as eligible or once the Green Instrument proceeds have been allocated to eligible disbursements. Reporting will be subject to the availability of information and confidentiality requirements

Information presented in the Annual Sustainability Report and Green Instrument Verification report will contain the following details:

- Summary overview of any Green Instruments issued or drawn in the reporting period. Key information will include the transaction date, principal amount of proceeds, settlement date, maturity date, and interest rate or coupon, the ISIN (where relevant).
- A list of Eligible Green Projects including any projects with partial eligibility (proceeds may or may not have been allocated)
- An explanation of any assumptions relating to projects with partial eligibility
- Allocation of proceeds to Eligible Green Projects. Key information will include the amount of proceeds allocated to the various Eligible Green Projects, a description of the Eligible Green Projects including the expected environmental impacts of the project.
- Where information is available the estimated lifetime results and/or the projects economic life (in years)
- The aggregate amount of Green Instrument proceeds allocated
- The aggregate amount of Green Instrument proceeds yet to be allocated.

Projects can be removed from the annual reports when no allocations to eligible disbursements have taken place in the reporting period or after the underlying loans have been repaid.

Where possible, PON will provide qualitative and/or quantitative reporting of the environmental and/or social impacts resulting from the projects. Subject to the availability and confidentiality of information, PON will look to utilise the ICMA 2022 Harmonised Framework for Impact Reporting handbook.

The following information will be produced and provided as shown below:

Item	Frequency	Availability
PON Sustainability Report	Annually.	PON website
Green Instrument Annual Verification Report	Annually	PON website

TABLE 2: PON GREEN INSTRUMENT REPORTING OBLIGATIONS

Eligible Category	SDG Alignment	Environmental Objectives	Potential Projects
Renewable Energy	SDG 7 SDG 9 SDG 13	Increase onsite renewables and investment in offsite renewables. Climate change mitigation	<ul style="list-style-type: none"> Onsite renewables projects Power Purchase Agreements
Energy Efficiency	SDG 7 SDG 9	Use of low emission technology and equipment. Climate change mitigation	<ul style="list-style-type: none"> LED lighting Efficient building design/upgrades Automated and electric plant and equipment Energy storage, including batteries
Pollution Prevention and Control	SDG 9 SDG 12 SDG 15 SDG 14	Stormwater management Waste management	<ul style="list-style-type: none"> Water sensitive urban design in new developments Projects that reduce the ability for litter debris to enter waterways Wastewater detention works Projects for soil remediation Projects for waste reduction and recycling Projects for the reduction of air emissions, greenhouse gas control
Green Buildings	SDG7 SDG9 SDG 11 SDG 13	Resource efficiency Climate change mitigation Reduced embodied carbon	<ul style="list-style-type: none"> Office buildings with a 5-Star or higher rating from the Green Building Council of Australia (or equivalent under an alternative rating system). Warehousing with a 4-Star or higher rating from the Green Building Council of Australia (or equivalent under an alternative rating system). ISCA certified infrastructure developments
Clean Transportation	SDG 7 SDG 9 SDG 11 SDG 13	Investment in electric vehicles and supporting infrastructure	<ul style="list-style-type: none"> Electric vehicle charging infrastructure PON fleet transition.
Sustainable Water and Wastewater Management	SDG 6 SDG 14	Reduced water consumption Wastewater recovery	<ul style="list-style-type: none"> Wastewater treatment and recycling Rainwater capture and reuse Sustainable urban drainage systems Flooding mitigation
Climate Change Adaptation	SDG 13	Reduce or avoid damage/disruption Increase water availability	<ul style="list-style-type: none"> Climate risk assessment Flooding, sea level rise and tidal inundation mitigations works. Bushfire risk mitigation
Aquatic and Terrestrial Biodiversity	SDG 14 SDG 15	Minimise impacts on biodiversity	<ul style="list-style-type: none"> Projects for the protection of coastal, marine and watershed environments Projects for the protection of terrestrial environments
Eco efficient and or circular economy adapted products/tech/processes	SDG 9 SDG 12	Closing the loop on waste generated and investment in recycled products and materials. Reduced raw material use. Reduced embodied carbon	<ul style="list-style-type: none"> Investment in asphalt that has recycled content for carpark development.
Environmentally sustainable management of living natural resources and land use	SDG 15	Increase native species	<ul style="list-style-type: none"> Port landscaping to incorporate drought tolerant native species.

TABLE 3: GREEN INSTRUMENT ELIGIBILITY CRITERIA, ENVIRONMENTAL OBJECTIVES AND UN SDG ALIGNMENT

Chapter 6: Document Review

This Sustainability Financing Framework will be reviewed at least two yearly or more frequently as may be required.

A record of the document review, including details of the person/s conducting the review will be maintained within the document.

All reviews will be undertaken against current and relevant market standard guidance in place at the time of the review.

Any enquires regarding this SFF should be directed to the key contacts detailed below.

Key Contacts:

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Christian Pynsent

Treasury Manager

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Chapter 7: References

Port of Newcastle:

Port Strategic Development Plan
Environmental Social Governance Strategy
Sustainability Report 2021
Environment and Sustainability Policy
Climate Policy
WHS Policy

LMA/APLMA/LSTA

Green Loan Principles 2021
Sustainability-Linked Loan Principles 2022
Guidance for Green, Social, and Sustainability-Linked Loans External Reviews 2022

ICMA

Green Bond Principles 2022
Climate Transition Finance Handbook 2020
Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals 2022
The GBP Guidance Handbook 2022
Harmonised Framework for Impact Reporting 2022

United Nations

United Nations Sustainable Development Goals (SDGs)

APPENDIX A: POTENTIAL IMPACT REPORTING INDICATORS

<p>PON will look to utilise potential environmental and social impact reporting indicators as summarised below, and further detailed in the ICMA Green, Social and Sustainability Bonds Resource Centre and guidance developed subject to the availability of information and confidentiality requirements.</p> <p>PON will endeavour to report against those indicators that are applicable to specific bond/loan issuances.</p>	
Renewable Energy	<ul style="list-style-type: none"> ▪ Annual GHG emissions reduced/avoided in tonnes of CO₂e ▪ Annual renewable energy generation in MWh (electricity) and GJ (other energy) ▪ Capacity of renewable energy plant(s) constructed or rehabilitated in MW ▪ Proportion of renewable energy used against total energy consumption ▪ % of renewable energy (RE) generated on site (specifying the relevant RE form)
Energy Efficiency	<ul style="list-style-type: none"> ▪ Annual energy savings in MWh (electricity) and GJ (other energy savings) ▪ Annual GHG emissions reduced/avoided in tonnes of CO₂e ▪ CO₂e intensity per tonne of dredge material removed ▪ Performance against PON's Science based targets ▪ Number of LED or SSL lighting fixtures with lumen/watt (Lm/W)
Sustainable Water & Wastewater Management	<ul style="list-style-type: none"> ▪ Annual absolute water use before and after water savings project implementation m³/a, reduction in water use in % ▪ Annual absolute amount of wastewater treated, reused or avoided after wastewater treatment project implementation in m³/a, population equivalent per annum and as % ▪ Annual absolute amount of raw/untreated sewage sludge that is treated and disposed of (in tonnes of dry solids p.a. and in %) ▪ Annual gross amount of sludge that is reused (in tonnes of dry solids p.a. and in %) ▪ Number of people and/or enterprises benefiting from measures to mitigate the consequences of floods
Waste Management and Resource Efficiency	<ul style="list-style-type: none"> ▪ Waste that is prevented, minimised, reused or recycled before and after the waste management project in % of total waste and/or absolute amount in tonnes p.a. ▪ Where applicable GHG emissions from waste management before and after the introduction of the waste management project in tCO₂e p.a. ▪ Annual absolute amount of waste that is separated and/or collected and treated (including composted) or disposed of in an environmentally sound manner in tonnes p.a. and % of total waste. ▪ Tons of secondary raw materials or compost produced ▪ Percentage of recycled content in purchased products
Clean transportation	<ul style="list-style-type: none"> ▪ Annual GHG emissions reduced/avoided in tonnes of CO₂e ▪ Number of clean vehicles deployed ▪ CO₂e intensity per passenger ▪ Reduction of air pollutants: particulate matter (PM), sulphur oxides (SO_x), nitrogen oxides (NO_x) and non-methane volatile organic compounds (NMVOCs) ▪ Number of electric vehicles charging stations as a % of total parking ▪ Volume of reused or recycled material used in roads and carparks ▪ Number of LED or SSL lighting fixtures with lumen/watt (Lm/W)
Green Buildings	<ul style="list-style-type: none"> ▪ kWh/m² of Gross Building Area (GBA) ▪ % energy use reduced/avoided vs local baseline/building code ▪ % renewable energy (RE) generated on site (specifying the relevant RE form) ▪ KgCO₂e/m² of GBA ▪ annual GHG emissions reduced/avoided in tCO₂e vs local baseline/building code ▪ % carbon emissions reduced/avoided vs local baseline/building code ▪ Amount of waste p.a. minimised reused or recycled in % of total waste and/or

	<p>in absolute amount in tonnes p.a. during the construction/demolition/refurbishment process</p> <ul style="list-style-type: none"> ▪ Waste removed in tonnes during the construction/demolition/refurbishment process ▪ m³/m² of GBA p.a. ▪ Annual absolute water use in m³/a before and after building retrofit project ▪ % of water reduced/avoided vs local baseline ▪ Embodied energy (and carbon) over lifecycle (“cradle to grave”) in tCO₂ ▪ Building certification standard ▪ % unadulterated Green spaces before and after the project ▪ Land remediated/decontaminated/regenerated in ha or m² ▪ Amount of rainwater harvested and reused in m³/a ▪ Number of LED or SSL lighting fixtures with lumen/watt (Lm/W) ▪ Number of electric vehicles charging stations as a % of total parking ▪ Number of bicycle facilities provided
Biodiversity	<ul style="list-style-type: none"> ▪ Maintenance/safeguarding/increasing protected areas/Other Effective Area-based Conservation Measures (OECM)/habitat in km² and in % for increase ▪ Maintenance/safeguarding/increase of natural landscape in urban areas in km² and in % for increase ▪ Absolute number of native species, flora or fauna, restored through projects focused on preserving terrestrial natural habitats ▪ Annual GHG emissions reduction in tCO₂e ▪ Absolute number of protected and/or priority species before and after projects focused on preserving terrestrial natural habitats
Climate Change Adaptation	<ul style="list-style-type: none"> ▪ Increase in grid resilience, energy generation, transmission distribution and storage in MWh ▪ Reduction in the number of wildfires and/or area damaged by wildfires in km² ▪ Reduction in repair costs due to storms (to all types of infrastructure and assets) ▪ Reduction in land loss from inundation in km² ▪ Reduction in number of operating days lost to floods ▪ Reduction in the number of operating days lost to disrupted transport networks or other infrastructure ▪ Reduction in workforce absenteeism due to climate related health impacts
Health and Wellbeing	<ul style="list-style-type: none"> ▪ Number of mental health first aid training courses delivered ▪ % employees accredited mental health first aiders ▪ Number of safety conversations
Diversity and Inclusion	<ul style="list-style-type: none"> ▪ % workforce women ▪ % women recruits ▪ % workforce First Nations people ▪ % First Nations people recruits ▪ % senior management team women
Supply Chain	<ul style="list-style-type: none"> ▪ % of suppliers screened for modern slavery risk ▪ % of supply chain assessed on environmental and social criteria
Benchmarking	<ul style="list-style-type: none"> ▪ Global Real Estate Sustainability Benchmark performance (star rating/score/position in sector) ▪ Sustainability Advantage recognition level
Circular Economy and/or Eco Efficient Projects	<ul style="list-style-type: none"> ▪ % single use products replaced by products designed and produced for reuse ▪ Waste that is prevented, minimise, reused or recycled before and after the project in % or total waste and/or as absolute amount in tonnes p.a. ▪ Annual absolute amount of secondary raw materials, by-products and or waste that is recovered in tonnes p.a. and/or in % of total waste, that will be used to develop new materials

APPENDIX B: HISTORICAL SUSTAINABILITY LINKED FINANCING TRANSACTIONS

Date	Type	Volume	Tenure	KPIs	Verification
April 2021	Sustainability Linked Loan	AU515m	5 years and 3 years	<ul style="list-style-type: none"> ▪ Diversity and Inclusion. ▪ Health and Wellness. ▪ Decarbonisation. ▪ Modern Slavery; and ▪ Achieving certified recognition under the NSW Government Sustainability Advantage program, 	DNV GL
Nov 2021	Sustainability Transition Hedge	AU220m	10 Years	<ul style="list-style-type: none"> ▪ Decarbonisation. ▪ Energy ▪ Business Transition ▪ Diversity and Inclusion 	DNV GL
Nov 2022	Sustainability Linked Loan	AU303.5m	5 years and 3 years	<ul style="list-style-type: none"> ▪ Decarbonisation. ▪ Energy ▪ Business Transition ▪ Diversity and Inclusion 	DNV GL