Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Cromwell Property Group (Cromwell) is a real estate investor and fund manager with operations on three continents and a global investor base. As at 30 June 2022, Cromwell had a market capitalisation of $2.0 billion, a direct property investment portfolio valued at $3.0 billion and total assets under management of $12.0 billion across Australia, New Zealand and Europe.
Cromwell is included in the S&P/ASX 200 and the FTSE EPRA/NAREIT Global Real Estate Index. Cromwell's platform comprises 350+ staff in 20 offices in 15 countries across Australia, New Zealand and Europe. Total Assets Under Management (AUM) are AUD $12.0 / €7.6 billion, diversely spread across a range of sectors including Office (64%), Retail (9%), Industrial/Logistics (20%), Property Securities (3%) and Other (4%). The portfolio comprises 210+ assets let to more than 2,300 tenants.

The Board is committed to Cromwell Property Group meeting securityholders' and stakeholders' expectations of good corporate governance. The Board is proactive with respect to corporate governance and actively reviews developments to determine which corporate governance arrangements are appropriate for Cromwell Property Group and its securityholders and stakeholders. Further information on Cromwell's approach to corporate governance is detailed on the website.

Since Cromwell's inception, we have demonstrated our commitment to sustainability and we remain focused on adding value via management of environmental, social and governance (ESG) risks and opportunities. At Cromwell, good performance also includes commitments that support a responsible and balanced pathway to sustained business success.
Our aim is to provide continued financial security for our investors, improve the communities in which we operate and be at the forefront of sustainable business practice globally.
The Group's ESG vision and commitment aligns with our corporate values, defining our approach to ESG. Progress made against our commitments is detailed in the Group's latest ESG Report.

Across the business, FY22 was a year of transition. Among the major changes to our corporate strategy and our values, we also refreshed our approach to ESG and our ambitions. We extensively engaged our stakeholders to ensure that we continue to deliver results against our targets in our previous Sustainability Framework, while also realigning our focus to a set of new targets in our formalised ESG Strategy. In FY23, we are now busy undertaking foundational work to set new baselines for our targets, build a firm understanding of our current state and prepare for the road ahead. We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development
footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence,
encouraging those in our broader value chain to join us on our journey toward net zero emissions.

Our reporting boundaries cover our corporate activities and offices and portfolio assets that we define as having operational control.

Assets in which Cromwell has part ownership, emissions, energy, water and waste are reported at the ownership %. For the reporting year this includes: 475 Victoria Avenue, Chatswood - 50%. Assets under development or held for development are excluded. For the reporting year, this includes: 19 National Circuit, Barton. All European assets besides the Cromwell Polish Retail Fund and the Cromwell European Logistics Fund are not under operational control and are excluded. We do provide data for CEREIT from their 2022 Sustainability Report for data relevant to CEREIT assets (investments). All New Zealand assets are not under operational control and are excluded.

Australian assets not under operational control are limited in data availability as these are largely tenant-controlled assets. For the reporting year, this includes:
450-460 Dean Street, Albury

203 Coward Street, Mascot
136 Narrabundah Lane, Symonston
194-204 Ryrie Street, Geelong
255 Frisby Road, Angle Vale

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

July 1, 2021

End date

June 30, 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

4 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

4 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

4 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Czechia
Denmark
Finland
France
Germany
Italy
Luxembourg
Netherlands
New Zealand
Poland
Singapore
Sweden
United Kingdom of Great Britain and Northern Ireland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

AUD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CN0.7/C-RE0.7

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

Buildings management
Other real estate or construction activities, please specify
Refurbishments/renovation of existing buildings

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	No	
Investing (Asset manager)	Yes	None of the above
Investing (Asset owner)	Yes	Supermarkets, food & drugstores
Insurance underwriting (Insurance company)	No	

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	AU000000CMW8

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Director on board	The Group Sustainability Committee is responsible for identifying climate-related risks and opportunities. Members of the global leadership team or senior leaders of the business are responsible for ensuring risks and actions are appropriately identified and the risk register is updated in relation to the sustainability framework. [The CEO ,, who is also on the Board, is a member of the Group Sustainability Committee.] Effective 1 July 2022, the Audit and Risk Committee was reconstituted as an Audit Committee and as ESG, Risk and Safety Committee. The ESG, Risk and Safety Committee is responsible for monitoring the effectiveness of the sustainability framework and advising the Board on the progress and actions undertaken on sustainability and corporate risk management. The ESG, Risk and Safety Committee meets a minimum of six times a year to receive reports, updates and presentations on risks and sustainability measures across the business including reports on sustainability and climate change activities. Several Non-executive Directors on the Board are members of the ESG, Risk and Safety Committee. Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify

	current and future vulnerabilities to impacts from climate change. The Investment Committee or the Board (where applicable) has oversight and approval of asset acquisitions and disposals, including consideration of climate change risk.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities The impact of our own operations on the climate The impact of our investing activities on the climate	Effective 1 July 2022, the Audit and Risk Committee was reconstituted as an Audit Committee and as an ESG, Risk and Safety Committee. The ESG, Risk and Safety Committee is responsible for monitoring the effectiveness of the sustainability framework and advising the Board on the progress and actions undertaken on sustainability and corporate risk management. The ESG, Risk and Safety Committee meets a minimum of six times a year to receive reports, updates and presentations on risks and sustainability measures across the business including reports on sustainability and climate change activities. Several Non-executive Directors on the Board are members of the ESG, Risk and Safety Committee. Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify current and future vulnerabilities to impacts from climate change.

			Investment activities are subject to approval by the Investment Committee and reported up to the Board. The Investment Committee or the Board (where applicable) has oversight and approval of asset acquisitions and disposals, including consideration of climate change risk. The Group Sustainability Committee is responsible for identifying climate-related risks and opportunities. Members of the global leadership team or senior leaders of the business are responsible for ensuring risks and actions are appropriately identified and the risk register is updated in relation to the sustainability framework. The risk register and climate-related risks are reported to the Board. Other sustainability activities are considered at operational level and reported to CEO and Board where impacts are relevant or material. The Chief Financial Officer and Company Secretary are responsible for reviewing insurance cover and reporting recommendations to the Board.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	The Board reviews, on a regular basis, the mix of skills, experience, independence, knowledge and diversity represented by Directors on the Board and determines whether the composition and mix remain appropriate for Cromwell's purpose and strategic objectives and whether they cover the skills needed to address existing and emerging business and governance issues relevant to Cromwell Property Group. The Board has adopted a Board Skills Matrix, which sets out the collective skills and attributes of the Board. One of the skill sets is sustainability, which includes (among other things) understanding of risks and opportunities regarding climate change. (see pp 140-142 of the 2022 Annual Report) The Board considers that these skills are included in its current members. For example,

		Tanya Cox has over 15 years of board experience and extensive executive experience in sustainability (including climate change), property, finance and funds management.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Risk committee

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities

Coverage of responsibilities

Risks and opportunities related to our investing activities
Risks and opportunities related to our own operations

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The ESG, Risk and Safety Committee is responsible for assisting the Board in:
a) reviewing the Group strategy with respect to sustainability and ESG matters (including climate-related, biodiversity, water management and human rights matters) (ESG Strategy);

b) considering and monitoring policies, practices, and disclosures that align with the ESG Strategy;
c) developing, implementing, and monitoring initiatives based on the ESG Strategy,
d) reviewing measurable objectives and targets against the ESG Strategy and determining their appropriateness;
e) monitoring the level of performance and achievements of objectives and targets by the Group;
f) ensuring that there is an appropriate system of governance and controls over ESG related data to ensure integrity and accuracy;
g) reviewing and recommending to the Board for approval the Sustainability Report (or equivalent), and other related information regarding sustainability matters, including targets and results;
h) recommending specific actions and decisions the Board should consider in relation to the Sustainability Report and other public disclosures;
i) reviewing public positions on key sustainability issues and non-financial governance issues considering the risk appetite set by the Board;
k) overseeing communications with employees, investors and stakeholders with respect to ESG matters;
l) monitoring and assessing developments relating to, and improving the Group's understanding of ESG matters, and disclosing ESG matters to internal and external stakeholders efficiently and in a timely manner.

The Committee's responsibilities for risk management include agreeing and recommending for Board approval, the Enterprise Risk Management Policy and Enterprise Risk Management Framework and ensuring that the risk management framework is appropriate for the Group. The Committee is responsible for reviewing and updating the risk appetite and the Group's risk profile, as well as monitoring the effectiveness, establishment and implementation of risk frameworks and internal compliance and control systems. The Committee must also approve and recommend to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for identifying, assessing, monitoring and managing risk and disclosing any material change to the risk profile.

The Committee's risk management must also ensure the risk management system considers all material risks, including risks arising from (among others):
• implementing strategies (strategic risk);
• operations or external events (operational risk);
• legal and regulatory compliance (legal risk);
• changes in community expectation of corporate behaviour (reputation risk); and
• contemporary and emerging risks such as conduct risk, digital disruption, cybersecurity, privacy and data breaches, and sustainability and climate change.

Further details are provided in the Committee Charter, available on the website.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities

Coverage of responsibilities

Risks and opportunities related to our investing activities
Risks and opportunities related to our own operations

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Group Sustainability Committee is a management committee , headed by the CEO and responsible for the annual materiality review process; the establishment of objectives and targets; and preparing the annual sustainability report.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Implementing a climate transition plan
Conducting climate-related scenario analysis
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Group Head of ESG (Chief Sustainability Officer) reports directly to the CEO and is responsible for managing the budget for ESG related activities, including development of climate-related scenario analysis. Other functional managers are responsible for the budgets for operational and capital expenditures related to the risks and opportunities of climate change for properties within our portfolio.

Position or committee

Other committee, please specify

Remuneration Committee

Climate-related responsibilities of this position

Providing climate-related employee incentives

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

As important matters arise

Please explain

The Nomination and Remuneration Committee objectives include ensuring that remuneration policies and practices retain and motivate senior executives and directors that fairly and responsibly rewards senior executives and other employees having regard to the performance of Cromwell Property Group, the performance of the senior executive or employee and the general pay environment (amongst other things). The Committee reviews the performance of the CEO on an annual basis. The Committee must ensure that senior executive remuneration and incentive policies and practices must be performance based and aligned with Cromwell Property Group's vision, values and overall business objectives. The Committee is responsible for reviewing and recommending to the Board for adoption the design of the senior executive incentive plan. The details of this plan is reported in the Group's annual report. In 2022, the short term incentive plan included the implementation of the Group sustainability strategy. This strategy was outlined in the 2022 ESG Report, stating the development of a Net Zero Strategy with the support of external expertise and looking to commit to and realign targets with verified
Science Based Targets. Achieving the implementation of this strategy is a requirement of the short term incentive program.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	All our key management personnel (including the CEO) have at-risk short term incentives linked to sustainability performance. In 2022, this included "Implement Group Sustainability Strategy", which included global targets such as decarbonising our business toward net zero and setting new baselines for areas such as energy consumption, waste management and carbon in each of our operating regions (see p 48 of the Annual Report 2022 and p 3, 6 of the 2022 ESG Report). Long Term Incentives and salary reviews are linked to delivery of strategic objectives, including specific objectives related to the sustainability framework and response to material topics reviews that include climate-related issues.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus – set figure

Performance indicator(s)

Board approval of climate transition plan

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Implement Group Sustainability Strategy: Across the business, FY22 was a year of transition. Among the major changes to our corporate strategy and our values, we also refreshed our approach to ESG, including our response to climate change, and our ambitions. We extensively engaged our stakeholders to ensure that we continue to deliver results against our targets in our previous Sustainability Framework, while also realigning our focus to a set of new targets (including climate-related targets) in our formalised ESG Strategy. In FY23, we are now busy undertaking foundational work to set new baselines for our targets, build a firm understanding of our current state and prepare for the road ahead.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

Consultant engaged to guide development of Sustainability Strategy to be finalised in early 2023: we are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change
Row 1	No, due to a compulsory national scheme

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	Short term aligns with our life cycle and capital works planning strategies and sits within strategic and business planning reviews. For new acquisitions, this also aligns with the implementation of operations and discovery processes. Typically it

			takes up to two years of operations to enable the implementation of new performance based contracts, suitable energy management systems to update and collate acceptable data where required and to review building performance in order to inform the capital works and asset strategy plans. Short term activities concentrate on responding to any immediate vulnerabilities to physical risks from climate change where identified, and to setting into place operations to reduce energy, water and waste strategies to align to individual property and wider portfolio targets.
Medium-term	4	7	Medium term targets cover the term from 4 to 7 years and encompass the period up to and including 2030. This time frame is critical in terms of climate change as it is the period in which if acceleration to reduce emission in order to minimise impacts to below 1.5 deg C are implemented, rapid transition will create significant consequences and financial impacts. Medium term targets encapsulate the Weighted Average Lease Expiry (WALE) across our assets. Lease renewals are seen as a major event that typically trigger major refurbishments and the implementation of asset re-positioning strategies. These strategies need to be considered in line with addressing transition risks. Capital works and life cycle strategies consider a rolling ten-year cycle with a window in the medium term that typically triggers detailed appraisal and the implementation of life cycle replacement capital work plans. These major works can typically trigger compliance with new and emerging building compliance regulations and herald opportunities for investment in resolving transitional risks, reducing emissions and addressing long term physical risks.
Long-term	8	15	Long term is defined as 8 to 15 years and covers the period post-2030, leading to 2040. Targets have been set to deliver net zero emissions in new construction and major redevelopment projects by 2030. Cromwell has a target to achieve net zero emissions by 2040. Our long-term horizon looks to consider the risks and opportunities from emerging mega trends on increasing urbanisation, improved social health and wellbeing, transport and technology.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Cromwell believes that sustained corporate and investor value requires an ongoing commitment to responding to environmental, social and governance (ESG) issues, effectively managing risk and providing safe communities and workplaces for the people who use them. Cromwell has an ESG, Risk and Safety Committee (effective from 1 July 2022). The Committee's scope is to support the Board in ensuring objective, non-executive oversight of the development and implementation of the Group's ESG, risk management and health, safety and wellness objectives. Cromwell maintains a comprehensive enterprise risk management (ERM) framework, underpinned by a Group Risk Management policy. Our enterprise risks are mapped to the ESG framework and linked to our material topics. The substantial financial or strategic impacts are defined under the categories of very high, high and moderate. Each risk group has a separate set of risk consequences directly related to the category type. For each identified risk, the risk is rated by consequence that defines the amount of financial impact and sets the level from insignificant to very high on a score of 1-5. The likelihood is then determined based on frequency of occurrence being 1 = very low probability: the event will only occur in exceptional circumstances during the next 12 months to 5 = very high probability: the event is expected to occur in most circumstances at least once during the next 12 months.

The resulting matrix multiplies each score to provide an overall risk rating from 1 to 25. Controls are then identified and the residual risk is calculated to identify the resulting risk. These risks are managed and recorded within a digital ERM data system where risk owners are required to regularly review and update risk level and effectiveness of controls.

An example of substantive financial impact would be a risk where the impact would be high if there were a consequence that had a negative impact of a defined percentage on P&L and therefore distribution, the risk would be rated very high and the impact would increase this to very high based on the assessment of likelihood. An insignificant risk is rated as one in which a single event was less than $10K, whereas significant risks are rated as high where the cost risk would be medium, with a capex cost greater than $1M. The risk impact becomes high to very high where the impact due to the likelihood and frequency of occurrence causes the overall risk rating to increase to above 20 on a 5*5 multiplication matrix

ESG and climate risks are linked by impact and mitigation strategies are applied within the business where necessary. In this approach impacts may fall within a material financial cost limit and also be a substantial material environmental impact as well as a reputational risk to the stakeholder pillar consequence matrix.

Our corporate risks are also mapped within our ERM framework linking corporate risk to sustainability pillars and the sustainability and climate risk and opportunities from climate change. in adopting this this approach our objective has been integrate the impact of climate risks within our enterprise risk considerations and to further identify the impact of our sustainability and climate risk management approach as a mitigant and control to organisational risk.

Cromwell discloses its material ESG risks and approach to materiality in the Taskforce for Climate-related Financial Disclosure statement and annual ESG report. Risk reviews are undertaken with each risk owner by the Head of Governance and Company Secretary and the Head of ESG and these reviews are included in reports to the ESG, Risk and Safety Committee.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Cromwell's global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term.

We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we will continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management.

The ESG, Risk and Safety Committee assists the Board by reviewing strategy, monitoring policies, practices, initiatives and disclosures that align with ESG, reviewing objectives and targets and ensuring there is an appropriate system of governance and control over ESG data and reviewing public positions and disclosures on key sustainability issues, among other responsibilities. It also plays an important role in ensuring the closer integration of risk and ESG throughout our decision making and business practices. The Committee is responsible for:
- reviewing Group strategy with respect to ESG (including climate-related);
- considering and monitoring policies, practices, and disclosures that align with ESG;
- developing, implementing, and monitoring initiatives based on ESG,
- reviewing measurable objectives and targets against ESG and determining appropriateness;
- monitoring performance and achievements of objectives and targets;
- ensuring that there is an appropriate system of governance and controls over ESG-related data;
- reviewing public positions on key sustainability issues and non-financial governance issues considering the risk appetite set by the Board;
- overseeing communications with employees, investors and stakeholders with respect to ESG matters;

amongst other duties.

The ESG, Risk and Safety Committee also has risk management responsibilities. It meets at least three times a year. Further details on the Committee are available on the Group's website.

In FY22, we aimed for a high level of performance in key governance aspects, including compliance, training and disclosure. We reviewed and updated our governance structures to enhance oversight of ESG and risk at all governance levels, including those related to climate change. We supported integration of ESG practices throughout the business.

The Group Sustainability Committee, chaired by the Head. of ESG, is a senior management forum responsible for climate-related activity at an operational level.

To identify climate related risks we have undertaken reviews of the resilience and capacity of our property assets to withstand forecast future impacts. Risk assessments commenced in 2018. We undertakeTechnical Building Assessments on a rolling three-year cycle. In addition, the reviews against forecast physical risks have also been adopted into the technical due diligence analysis undertaken on new acquisitions and developments.

Cromwell is a registered supporter of the Task Force on Climate-related Financial Disclosures and has used the recommendations and supplementary guidance to inform our approach to reviewing climate risk.

The Group Leadership Team meet with the Chief Executive Officer weekly to discuss material issues impacting the business and progress against key objectives. Each of the Group Leadership Team report the Chief Executive Officer and as risk managers for the business present reports to the ESG, Risk and Safety Committee.

Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify current and future vulnerabilities to impacts from climate change.

The Investment Committee (a Board sub-committee) or the Board (where applicable) has oversight and approval of asset acquisitions and disposals. Investment papers include legal, technical and financial risk reviews, including consideration of climate change risk as part of due diligence activities. The Investment Committee considers ESG principles for maximum impact in investment strategy. ESG is a high priority for real estate investors, and ESG-based strategies deliver superior long-term capital protection, creation and growth. ESG is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile, in accordance with the guidance in the UN Principles for Responsible Investment (UN PRI).

Senior management are responsible for updating the corporate risk register and for addressing risks associated with their business unit function. Material topics are mapped to enterprise risks and all risk activities are monitored and reported to the Risk, ESG and Safety Committee at each meeting.

Cromwell conducts an annual materiality review to identify the current and emerging issues that are of greatest importance to Cromwell and our stakeholders and to assess the relative materiality of each topic on our business. The process is facilitated by external consultants to deliver a prioritised set of material topics considering political, social and technical risks and opportunities in the short, medium and long term. Material topics are mapped within our Enterprise Risk Management (ERM) framework. Material topics are seen as part of risk mitigation to enterprise risk, with the realisation of objectives and opportunities to address the most important aspects of the business and respond to the most significant risks. Of our current material topics, several directly relate to how we adapt to climate change and a number of other topics are indirectly related or impacted.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Property compliance with current regulations is considered at acquisition as part of Technical Due Diligence. It is used to determine compliance as well as determine the gap between current and future performance targets and exposure to changing weather extremities. Within the existing portfolio understanding the impacts of meeting compliance with current regulations and the investment required to additionally address creating the greatest flexibility and resilience to future scenarios is considered as part of our Technical Building Assessment cycle. Examples of the application of these risk assessments include : 1. Considering the economic cost and short to medium term impact of electrification for heating values use of gas fired systems for major refurbishments and new construction; 2. Increasing passive measures such as insulation and shading beyond current regulations to pre-empt future potential requirements and to support energy efficiency, reduce capacity requirements for peak load and respond to forecast increases in weather extremities; 3. Understand current and future operating and capital works costs associated with ongoing operations, for example energy market and peak demand impacts against capital works investment and payback; 4. Completing annual materiality reviews to determine emerging risk and opportunity posed from an immediate need to meet current compliance and the risk associated with transition to a low carbon economy, specifically, use of gas, provision

		of car parking spaces; and 5. Building strong relationships with all stakeholders including Insurers, financiers, investors and tenant customers to understand their respective expectations and the impacts and opportunities.
Emerging regulation	Relevant, always included	Understanding the impacts of emerging regulation is critical in relation to developing strategic asset plans and determining an investment hold, renew replace strategy. As part of our business planning review and ongoing evaluation we consider the risks associated with: 1. The ability for older assets to be economically transitioned to meet future regulatory or market expectations on performance; and 2. The potential for legislation and market expectations to drive demand for renewable energy and asset performance efficiency beyond availability or reasonable economic limits for delivery within an asset or across a portfolio thereby leaving assets to become devalued and reduce investment returns and yield to investors and shareholders.
Technology	Relevant, always included	Emerging technology and its use is recognised as creating both risk and opportunity. Increasing technology related to modelling and analysis of climate impacts is seen as an opportunity to review and understand future potential impacts and to utilise this increasing understanding to respond accordingly. Technological advances, creating smart buildings, linking information, improving performance and reducing cost are also seen as substantial opportunities to improve resilience and reduce emissions from our property assets and operations. Digital technology and innovation is a key enabler to addressing ESG, with demonstrated efficiencies through improved systems, processes and automation. In FY22, we began implementing a digital hub to collect ESG data from the buildings we manage in Europe. We partnered with Deepki, an ESG SaaS company, to simplify the collection process from every available source – from smart meters to building management systems and utility invoices. This tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. Better reporting will also support Cromwell's progress to net zero.

		Examples of embracing technology and identifying the risks associated with a failure to do so adequately include: 1. Additional costs from inappropriate choices and strategies that will lead to a need for the early retirement or replacement of building services and equipment with improved solutions for example, risks with premature investment in battery technology which is likely to reduce in cost and increase in efficiency to a point where application becomes more affordable. Alternatively, continued investment in gas fired heating systems may be overtaken by reverse cycle electric heating, heat pumps and other technologies that open a pathway to zero carbon. We are now considering the long-term impact emissions and net zero targets of adoption to all electric solutions for new development and the feasibility for retrofit into refurbishment and end of life replacement; 2. Maintaining awareness of changing science and technology enables managed responses and strategic plans to protect property assets; and 3. Investment in technology and training to improve corporate resilience in business systems and processes.
Legal	Relevant, always included	Adopting Green Star Performance rating across the portfolio and setting a pathway to further increase performance has been reflected into our template leases and forms part of our ongoing communications with tenants. Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify current and future vulnerabilities to impacts from climate change. The Investment Committee or the Board (where applicable) has oversight and approval of asset acquisitions and disposals, including consideration of climate change risk. Cromwell apply the recommendations of the Taskforce for Climate-related Financial Disclosure and publicly disclose the pathways we are adopting to identify and respond to climate risk in our annual financial reporting.
Market	Relevant, always included	Cromwell's annual materiality review is designed to identify the current and emerging issues that are of greatest importance to Cromwell and our stakeholders and to assess the relative materiality of each topic on our business. Cromwell considers how to align environmental goals with the needs of our tenants and investors. We look ahead to

		certification trends in Australia and Europe, and have targets to ensure our buildings are being developed to meet the highest possible environmental standards. For example, in Italy, the team is completely transforming the Nervesa 21 office building in Milan on behalf of Singapore Exchange-listed Cromwell European REIT. The building is an excellent example of the sort of sustainable, collaborative office space that is increasingly in demand from occupiers, with planned Leadership in Energy and Environmental Design Platinum and International WELL Building Institute Certification. Each year, we update our material ESG topics. As part of this review we consider our performance against peer groups and best in class leaders in benchmark indicators. External reviews are undertaken against market drivers and expectation as well as non-participatory ratings including MSCI, Sustainalytics, and ISS Quality Score. We participate in several industry bodies and consider the importance of climate related material topics to our stakeholders. Strategic asset plans are updated annually and consider weighted average lease terms, market sentiment, tenant and stakeholder engagement outcomes, leasing profiles, income security, and building quality and performance.
Reputation	Relevant, always included	Our values of Responsible, Respectful and Principled drive our strategy and are encapsulated in our sustainability framework. We recognise that failure to adequately respond to the risks and opportunities that climate change present impact on the resilience of our assets, corporate operations and commitment to act in the best interests of our shareholders and investors. We recognise that building and continuing to strengthen our brand will underpin shareholder confidence as well as support the retention and attraction of talent to Cromwell. High occupancy rates, long leases and rental income are all critical measures of the economic success of our business. Retaining tenants and renewing leases is directly measured through our weighted average lease expiry, currently at 5.9 years for our investment portfolio. We are proud of our strong reputation with tenants and investors, and we are working towards meeting the anticipated heightened demand for ESG and technological developments. Proactive engagement is critical to this

		process, allowing us to gauge sentiment, receive up-to-date feedback and respond to requests. Cromwell has tenant engagement action plans for each of the properties we manage. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Feedback from our annual tenant-customer satisfaction survey in Australia shows that our tenants take climate change and environmental management seriously, with the majority on the path to carbon neutrality and engaging in recycling education.
Acute physical	Relevant, always included	Responsibly managing our impact on the environment throughout our value chain is critical to the success of our business and the communities in which we operate. Nature loss poses a major risk to businesses. We integrate the responsible management of the environment and nature into our decision making. For example, environmental due diligence is considered for all acquisitions. Every owned or managed property in our portfolio has a capital expenditure plan that is updated annually to address plant, equipment,building fabric, refurbishments and energy and water efficiency improvements. Technical Building Assessments have been completed across all property assets to consider vulnerabilities to acute physical impacts as part of acquisitions and ongoing operational management. We undertake technical building assessments across the Australian portfolio using the Intergovernmental Panel on Climate Change forecasts for future climate impacts (RCP 8.5) to consider the risk and exposure of our property assets to increasing tidal levels, precipitation, maximum temperatures and storm frequency forecasts. We intend to undertake updates of these assessments every three years to ensure that changes in climate projections are considered in our strategic asset management plans and capital works planning. In addition, we engage extensively with our insurer to support regular property inspections and to explore opportunities to reduce our insurance risk exposure.

Chronic physical	Relevant, always included	Our climate adaptation objectives are to ensure that we remain resilient to physical impacts whilst adopting opportunities to invest in sustainable development and introduce operations that support a transition to low carbon outcomes that reduce our impact on the escalation of climate change New buildings, components and services commissioned from 2020 will have an economic operating life beyond 2030 and are likely to still be in operation up to and beyond 2050. This means that buildings and equipment designed and operational today are likely to be impacted by the current and emerging international emissions reduction targets. These assets will be operational during a period that may see further rapid changes in policies, regulations and societal expectations as well as increased volatility in weather and climate. Capital works plans and forecast expenditure spanning 10 years are prepared for each property asset. The capital expenditure plan is prepared at acquisition and updated annually to address the replacement of ageing plant, equipment and building fabric. These plans are now being broadened to include consideration against the outcomes from materiality assessments, scenario analysis impacts and the sustainability objectives in determining the risk and opportunity to respond to long term systematic change to climate. Other long term physical risks considered include: • Increased property damage and possible increases in excess costs on insurance claims. • Repeated claims or related vulnerabilities may lead to limitations or exclusions on cover • Increased maintenance and operational costs to repair unexpected property damage from physical climate risks • Impact to brand due to unreliable assets • Impacts to asset values and occupancy levels • Retaining adequate insurance cover at acceptable cost • Impacts to capital expenditure on repairs and make good

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure
Investing (Asset manager)	Yes
Investing (Asset owner)	Yes

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Investing (Asset manager)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Risk models Scenario analysis Internal tools/methods External consultants	Climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell's global strategy is being developed to decarbonise our business towards net zero. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our

						net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. Cromwell maintains a comprehensive enterprise risk management system. In adopting this approach, the objective has been to integrate the impact of climate risks within enterprise risk considerations and to further identify the impact of the sustainability and climate risk management approach as a mitigant and control to organisational risk. Enterprise risks are mapped to the sustainability framework and linked to identified material topics (as reported in the annual ESG Report). Mitigation strategies for climate risk are applied within the business. Risk reviews are undertaken with each risk owner by the Head of Risk and Compliance and these reviews are included in reports to the ESG, Risk and Safety Committee. Cromwell reviews of the actual and potential impacts of climate change across its operations. Assessment of the risk to properties from acute physical events related to weather extremities and longer-term chronic effects relies on and is informed by the growing body of

						climate science research and engagement with insurers, financiers and industry organisations. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. For investors, we consider that there will be good opportunities in office real estate over the next phase of the real estate investment cycle and into the future. ESG regulations combined with changing tenant preferences will accentuate demand for sustainable office spaces. This need for progressive thinking and creating viable solutions to help mitigate climate change, while delivering performance for our investors. Cromwell's Investment Committee considers ESG principles for maximum impact in investment strategy. ESG is a high priority for real estate investors, and ESG-based strategies deliver superior long-term capital protection, creation and growth.

Investing (Asset owner)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Risk models Scenario analysis Internal tools/methods External consultants	Climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell's global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. Cromwell maintains a comprehensive enterprise risk management system. In adopting this approach, the objective has been to integrate the impact of climate risks within enterprise risk considerations and to further identify the impact of the sustainability and climate risk management approach as a mitigant and control to organisational risk. Enterprise risks are mapped to the sustainability framework and linked to identified material topics (as reported in the annual ESG Report). Mitigation strategies for climate risk are applied within the business. Risk reviews are undertaken with each risk owner by the Head of Risk and Compliance and these reviews are included in reports to the ESG, Risk and Safety Committee. Cromwell reviews of the actual and potential impacts

						of climate change across its operations. Assessment of the risk to properties from acute physical events related to weather extremities and longer-term chronic effects relies on and is informed by the growing body of climate science research and engagement with insurers, financiers and industry organisations. For example, capital works plans and forecast expenditure spanning multiple years are prepared for each property asset. The capital expenditure plan is prepared at acquisition and updated annually to address the replacement of aging plant, equipment and building fabric. Plans include consideration against the outcomes from materiality assessments and sustainability objectives are factored into determining the risk and opportunity to respond to long term systematic change to climate. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we will continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability

						objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. During our buildings' lifecycles, we aim to act as responsible stewards – we generally acquire existing buildings, doing what we can to improve their environmental efficiency and ensure they are performing well, before divestment. We are in the process of aligning and confirming our ambitious net zero targets as part of a Net Zero Strategy that encompasses our scope 3 emissions, including our tenants' emissions and embodied carbon and are excited to progress towards them in FY23.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information
Investing (Asset manager)	Yes
Investing (Asset owner)	Yes

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio

Investing (Asset manager)

Type of climate-related information considered

Emissions data
Energy usage data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained

Directly from the client/investee

Industry sector(s) covered by due diligence and/or risk assessment process

Real Estate

State how this climate-related information influences your decision-making

ESG is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile, in accordance with the guidance in the UN Principles for Responsible Investment (UN PRI). The ESG, Risk and Safety Committee assists the Board by reviewing strategy, monitoring policies, practices, initiatives and disclosures, reviewing objectives and targets and ensuring there is an appropriate system of governance and control over ESG data. Cromwell’s global strategy is to decarbonise our business towards net zero. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. Cromwell discloses sustainability performance and sets out progress against targets in an annual ESG Report in the transition to net zero emissions. Cromwell is committed to measuring emissions and emissions reduction. Initiatives to reduce emissions are assessed based on the carbon management hierarchy of avoid, reduce, replace and offset. Cromwell recognises that the greatest impact from reducing emissions is within its property assets. Cromwell manages property assets in Australia and Europe. Wherever possible and where Cromwell has operational control, energy consumption, emissions, waste, water usage and associated environmental data is tracked and reported. This reporting continues to be expanded and improved over time. Setting targets enables Cromwell to adopt a systematic and disciplined approach toward improving efficiency and reducing emissions. Long-term targets have been set to achieve zero carbon emissions across directly owned properties within operational control. The annual ESG Report provides data and further information on Cromwell's property portfolio performance and the actions implemented to achieve long-term targets. Cromwell is a supporter of the Task Force on Climate-related Financial Disclosure (TCFD) recommendations.

Portfolio

Investing (Asset owner)

Type of climate-related information considered

Emissions data
Energy usage data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained

Directly from the client/investee

Industry sector(s) covered by due diligence and/or risk assessment process

Real Estate

State how this climate-related information influences your decision-making

ESG is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile. This is in accordance with the guidance in the UN Principles for Responsible Investment (UN PRI). The ESG, Risk and Safety Committee assists the Board by reviewing strategy, monitoring policies, practices, initiatives and disclosures, reviewing objectives and targets and ensuring there is an appropriate system of governance and control over ESG data, among other responsibilities. Cromwell's global strategy is to decarbonise our business towards net zero. A significant proportion of our emissions are Scope 3. We occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. This will ensure our portfolio is ready for the impacts of climate change both now and into the future. Cromwell discloses sustainability performance and sets out progress against targets in an annual ESG Report in the transition to net zero emissions. Cromwell is committed to measuring emissions and emissions reduction. Initiatives to reduce emissions are assessed based on the carbon management hierarchy of avoid, reduce, replace and offset. Cromwell recognises that the greatest impact from reducing emissions is within its property assets. Cromwell manages property assets in Australia and Europe. Where practicable, Cromwell actively seeks to apply a consistent approach to assets it owns and manages across jurisdictions. Where Cromwell has operational control, energy consumption, emissions, waste, water usage and associated environmental data is tracked and reported. This reporting continues to be expanded and improved over time. Setting targets enables Cromwell to adopt a systematic and disciplined approach toward improving efficiency and reducing emissions. Long-term targets have been set to achieve zero carbon emissions across directly owned properties within operational control. The annual ESG Report provides data and further information on Cromwell's property portfolio performance and the actions implemented to achieve long-term targets. Cromwell is a supporter of the Task Force on Climate-related Financial Disclosure (TCFD) recommendations.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 10

Where in the value chain does the risk driver occur?

Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Acute physical

Heavy precipitation (rain, hail, snow/ice)

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

As an investor and asset manager, Cromwell considers one of the greatest material risks posed from climate change is likely to be physical risks from severe weather events directly impacting and damaging assets owned and managed. This includes weather events such as heavy precipitation, flood, storm and cyclone. These risks are analysed together due to the likelihood of more than one type of event impacting on the property assets in our investment portfolio. We have also experienced flood or heavy precipitation as a result of cyclone or storms, rather than in isolation. The description, financial impact, response and associated financial figures reported here correspond to any or all of these events. Many of our assets are located in geographic areas that experience climate-related severe weather events. For example, all of the 17 properties in our Cromwell Diversified Property Trust portfolio are located along the eastern coast of Australia. In 2022, a third consecutive La Niña contributed to severe rainfall and flooding across Eastern Australia. While none of the properties in our portfolio were impacted by the 2022 events, if this occurs in future there is the risk that clients develop a negative perception of our ability to manage resilient assets and attract and retain tenants in these areas. This also applies to our asset management portfolio, where a limited number of properties in Italy that are within our fund and asset management business segment are also at high risk of heavy precipitation. The risk of flooding from acute precipitation affects our ability for tenants to access and continue to occupy affected properties. Inability to do so would potentially result in lost income from rent in the assets we own and manage.

Time horizon

Long-term

Likelihood

Exceptionally unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

288,900,000

Explanation of financial impact figure

Acute physical events will be extremely unlikely to affect all of the properties within our portfolio within a reporting year. Cromwell reported rental income from the investment portfolio of $215.2 million in FY22 (p 23, 2022 Annual Report). This risk could also impact our co-investments, which recorded rental income of $73.7 million in FY22 (p 21). The total figure provides an indication only of a maximum based on the current property investment portfolio. It is exceptionally unlikely that all properties for which we derive rental income would be affected by this risk in a reporting year.

Cost of response to risk

24,000,000

Description of response and explanation of cost calculation

From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. We ensure that due diligence for all property acquisitions includes evaluation of physical climate risks. For our property investment portfolio, we conduct technical building assessments every three years. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Assessment of the risk to properties from acute physical events related to weather extremes relies on and is informed by the growing body of climate science research and engagement with insurers, financiers and industry organisations. For example, capital works plans and forecast expenditure spanning multiple years are prepared for each property. Cromwell has a climate change position policy to support internal assessment, reporting and management of identified risks. Climate adaptation objectives ensure resilience to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low carbon outcomes. Cromwell reported capital works - property improvements and lifecycle - on its investment portfolio of $19.9 million in FY22 (p 84, 2022 Annual Report), plus $4.1 million of capital expenditure commitments contracted but not recognised in the reporting year (p 126). While the amount attributable to indirect climate change is not separately monitored, because the risks of climate change are included in all decisions, we have included the total figure for Cromwell as an estimate of the annual cost of response to the risk. We have also reported the same amount for chronic physical risks, as the same property improvements address both risks simultaneously.

Comment

Identifier

Risk 11

Where in the value chain does the risk driver occur?

Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Chronic physical

Changing temperature (air, freshwater, marine water)

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Cromwell has a climate change position policy to support internal assessment, reporting and management of identified risks. As an investor, Cromwell considers that one of its greatest material risks posed from climate change is likely to be from indirect impacts, including operational costs resulting from increased temperature extremities and wear and tear to operating plant and equipment (as reported in our 2022 Annual Report, p 9). Failing to respond adequately to both physical and transitional asset-level risk will increasingly expose investments to the risk of early economic obsolescence. This applies to our entire property portfolio, both in Australia and Europe. When an asset is unable to meet market expectations of what it should be able to do – it becomes ‘stranded’. The term ‘stranded assets’ refers to assets at risk of losing their value, in this case due to climate change. For Cromwell's physical property assets to maintain their present utility, and hence value, into the future, asset managers must increasingly consider climate risk issues alongside regular capital and operational expenditure to inform ongoing asset improvements and avoid the risk of asset stranding. This includes impacts such as increasing insurance premiums, growing risk of litigation and other increased operational costs. The International Renewable Energy Agency (IRENA) have identified that US$11.8 trillion of current assets could be stranded by 2050 based off today’s rate of global emission reductions. Preserving the value of our property assets means ensuring our portfolio and the assets under our management are ready for the impacts of climate change now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. Developing strategies that ensure property assets remain resilient to climate change whilst setting pathways to improve performance is essential for Cromwell to underpin the long-term value of property assets. While extreme temperatures are already occurring to some extent, with the summer of 2022 the hottest on record for Europe and this year likely to exceed that, asset stranding would occur in the long term as defined by Cromwell's time horizons. Increased operational costs are an additional financial impact that occur in the short term.

Time horizon

Long-term

Likelihood

Exceptionally unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

288,900,000

Explanation of financial impact figure

Chronic physical impacts will be extremely unlikely to affect all of the properties within our portfolio within a reporting year. Cromwell reported rental income from the investment portfolio of $215.2 million in FY22 (p 23, 2022 Annual Report). This risk could also impact our co-investments, which recorded rental income of $73.7 million in FY22 (p 21). The total figure provides an indication only of a maximum based on the current property investment portfolio. It is exceptionally unlikely that all properties for which we derive rental income would be affected by this risk in a reporting year. This figure provides an indication only of a maximum based on the current property investment portfolio.

Cost of response to risk

24,000,000

Description of response and explanation of cost calculation

Cromwell's climate adaption strategy is to ensure that the impacts from climate change are understood and responded to in the short, medium and long term. Climate adaptation objectives ensure resilience to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low carbon outcomes. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. We have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. Capital works plans and forecast expenditure spanning multiple years are prepared for each property asset. A capital expenditure plan is prepared at acquisition and updated annually to address the replacement of aging plant, equipment and building fabric. Strategic asset plans include analysis of climate change scenarios. We embrace sustainable development solutions for capital works, investment in new plant and equipment and adoption of energy solutions and technologies. Assessment of risk to properties from longer-term chronic effects is informed by climate science research and engagement with insurers, financiers and industry organisations. We conduct technical building assessments every three years. Cromwell reported capital works - property improvements and lifecycle - on its investment portfolio of $19.9 million in FY22 (p 84, 2022 Annual Report), plus $4.1 million of capital expenditure commitments contracted but not recognised in the reporting year (p 126). While the amount attributable to indirect climate change is not separately monitored, because the risks of climate change are included in all decisions, we have included the total figure for Cromwell as an estimate of the annual cost of response to the risk. We have also reported the same amount for acute physical risks, as the same property improvements address both risks simultaneously.

Comment

In considering its own impact and contribution to long term impacts of climate change, Cromwell is committed to measuring emissions and emissions reduction. Cromwell recognises that the greatest impact from reducing emissions is within its property assets in Australia and Europe. Wherever possible, energy consumption, emissions, waste, water usage and associated environmental data is tracked and reported. Minimum performance standards are set for new development and refurbishments. Long-term targets have been set to achieve zero carbon emissions across our property portfolio through a combination of energy efficiency measures, investment in on site renewables and purchase of green power and offsets.

Identifier

Risk 12

Where in the value chain does the risk driver occur?

Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Current regulation

Regulation and supervision of climate-related risk in the financial sector

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Market risk

Company-specific description

Failing to respond adequately to both physical and transitional asset-level risk will increasingly expose property investments to the risk of early economic obsolescence. When an asset is able to meet market expectations of what it should be able to do – it becomes ‘stranded’. Until fairly recently, the concept of a stranded asset in the commercial real estate sector has been largely hypothetical. However, regulators have responded in order to reduce economic exposure to these risks, including in regions where Cromwell owns investment properties or has assets under management. The European Union (EU) adopts one of the most comprehensive approaches to regulating assets through the use of

Energy Performance Certificates (EPCs). The 2010 EU Energy Performance of Building Directive made it mandatory for all European properties to hold an EPC and monitor heating and air conditioning. EPCs are a key enabler of building improvement, as they have potential to influence investment decision-making. They also provide the opportunity for governments to enforce minimum energy standards. In the Netherlands, where Cromwell manages assets, office buildings need to meet minimum energy performance requirements (EPC Label C) by 2023, or they cannot be leased. By 2030, the minimum is expected to be raised to EPC Label A. In France, where Cromwell's fund and asset management business has a number of properties, the ELAN law (Evolution of Housing, Development and Numerical), the Tertiary Decree requires owners and tenants of tertiary buildings of an area over or equal to 1000 m2 to reduce their energy consumption by – 40% by 2030, – 50% by 2040 and – 60% by 2050, compared with a reference energy consumption level, or by achieving an absolute level of final energy consumption. Their legislation on accelerating the production of renewable energies mandates that all new and existing car parks with a surface of 1,500 sqm and above must be covered in photovoltaic shades at least half of their surface area from 1 July 2023. These are examples where policymakers across the world have implemented carbon and energy regulations that impact the assets we own and manage, and potentially cash flow, ability to operate and valuation of assets.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

24,000,000

Explanation of financial impact figure

Meeting these standards requires sustainable development solutions for capital works, investment in new plant and equipment and the adoption of energy solutions and technologies. While this impacts both our owned and managed assets, the figures here represent those within out investment property portfolio only (owned). Cromwell reported capital works - property improvements and lifecycle - on its investment portfolio of $19.9 million in FY22 (p 84, 2022 Annual Report), plus $4.1 million of capital expenditure commitments contracted but not recognised in the reporting year (p 126). Because all sustainable development solutions for capital works, new plant and equipment, energy solutions and technologies must meet the regulated requirements noted above, we have included the combined total figure for Cromwell to give the range as an estimate for the reporting year. A similar figure was reported for the previous financial year.

Cost of response to risk

Description of response and explanation of cost calculation

We look ahead to certification trends in Australia and Europe, and have targets to ensure our buildings are being developed to meet the highest possible environmental standards. For example, in Italy, the team is completely transforming the Nervesa 21 office building in Milan on behalf of Singapore Exchange-listed Cromwell European REIT. The building is an excellent example of the sort of sustainable, collaborative office space that is increasingly in demand from occupiers, with planned Leadership in Energy and Environmental Design Platinum and International WELL Building Institute Certification. This year, we began implementing a digital hub to collect ESG data from the buildings we manage in Europe. We partnered with Deepki, an ESG SaaS company, to simplify the collection process from every available source – from smart meters to building management systems and utility invoices. In the year ahead, this tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. Better reporting will also support Cromwell’s progress to net zero. We commission energy and water audits of our property investment portfolio to identify opportunities for efficiencies. For our Australian portfolio, these enhancements are measured by achieving or improving each building’s NABERS energy and water rating on an annual basis. During FY22, two of our properties improved their NABERS energy ratings and eight improved their water ratings. While some of this is due to changes in building use over periods affected by COVID-19 lockdowns and changes in working habits, the effect of site-specific energy and water reduction targets is also apparent. Unfortunately, we recorded a drop in four properties in either water or energy ratings and we are looking at ways to do better by carefully examining site data. We install renewable energy sources on our properties wherever possible, in order to improve energy performance. In FY22, we undertook a capability assessment across our directly owned and managed portfolio in Australia. The assessment allowed us to calculate the possible reduction in ongoing energy use and electricity costs, a return on investment, anticipated uplift in NABERS performance and potential increase in property value. Four buildings were selected for a combined total of 500kW of solar to be installed.

[COSTS OF DEEPKI, ENERGY AUDITS, CERTIFICATION TO ADD AS 'COST OF RESPONSE TO RISK]

Comment

Identifier

Risk 13

Where in the value chain does the risk driver occur?

Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Market

Inability to attract co-financiers and/or investors due to uncertain risks related to the climate

Primary potential financial impact

Decreased access to capital

Climate risk type mapped to traditional financial services industry risk classification

Funding risk

Company-specific description

Cromwell borrows funds from financial institutions and investors to partly fund the acquisition of income producing assets. A significant proportion of these borrowings are generally fixed either directly or through the use of interest rate swaps/options/caps and have a fixed term. Cromwell notes capital management as one of its key business risks (p 26, 2022 Annual Report). Ensuring continuous access to debt and equity markets is necessary to support Cromwell's sustainable growth. For example, Cromwell's debt platform is underpinned by a facility secured against selected assets within the Australian property portfolio. Cromwell’s main loan facility (senior secured bilateral loan facilities under a Common Terms Deed) is secured against selected investment properties in the Australian portfolio. Cromwell also has a EURO/GBP revolving credit facility and a convertible bond. Loan facilities are generally at asset level financing. These are reported. as interest-bearing liabilities in our annual financial reporting. As the International Monetary Fund reported in 2019, central banks and financial regulators increasingly acknowledge the financial stability implications of climate change. For example, the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) has embarked on the task of integrating climate-related risks into supervision and financial stability monitoring. Cromwell reports that its greatest potential material risks from climate change are likely to be from physical risks from severe weather events impacting assets owned and managed and indirect impacts, such as increasing operational costs from rising insurance premiums, energy costs, carbon charges and taxes, legislation and operational costs resulting from increased temperature extremities and wear and tear to operating plant and equipment. These would all be assessed in monitoring Cromwell's financial stability and ability to mitigate impacts by banks and capital finance providers. Some debt facilities are secured against selected assets in Australia, where known physical risks from climate change have already affected properties in our portfolio in the past, this would be a critical concern for those facilities. Cromwell's existing interest bearing liabilities have expiry periods of less than seven years (FY29), so the risk of not accessing further capital is within the long term, as per our time horizon definitions.

Time horizon

Long-term

Likelihood

Exceptionally unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

2,536,800,000

Explanation of financial impact figure

Cromwell reported a total of $2,331 million in interest bearing liabilities in 2022 (p 93, 2022 Annual Report). Required access to capital in future may vary from this figure, but this is an indication of the current access to capital requirements.

Cost of response to risk

0

Description of response and explanation of cost calculation

Cromwell has adopted several business strategies to mitigate capital management risks. This includes gearing approval and monitoring; prudent capital management informed by cash flow forecasting and sensitivity analysis; regular reviews of available liquidity matched to capital requirements and monthly Board reporting; long dated debt expiry profile; diversification of debt funding sources and spreading of debt maturities. Capital requirements include adopting opportunities to invest in sustainable development, with the need for sustainable development solutions for capital works and investment in new plant and equipment. Capital works plans and forecast expenditure
spanning multiple years are prepared for each managed property asset. A capital expenditure plan is prepared at acquisition and updated annually to address the replacement of aging plant, equipment and building fabric. Plans include consideration of the risk and opportunity to respond to long term systematic change to climate. Diversifying debt funding sources relies on confidence that climate risks have been successfully mitigated by Cromwell due to asset-level financing (for both existing assets and potential acquisitions). Cromwell has developed a Sustainable Finance Framework to support Cromwell's commitment to fund low carbon, efficient and resilient buildings that meet the ESG ambitions of Cromwell and its suppliers and customers through the use of sustainable debt instruments. Cromwell may raise or issue sustainable debt instruments in accordance with applicable current market standards. Cromwell has established a Green Finance Committee, comprising members of the Investment Committee, Treasury, Property and ESG team. Operationally, Cromwell assesses the risk to properties from acute physical events related to weather extremities and longer-term chronic effects relies on and is informed by the growing body of climate science research and engagement with insurers, financiers and industry organisations. Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify current and future vulnerabilities to impacts from climate change. All costs associated with these actions are incorporated into the cost of doing business and are therefore not reported separately.

Comment

Identifier

Risk 14

Where in the value chain does the risk driver occur?

Investing (Asset manager) portfolio

Risk type & Primary climate-related risk driver

Market

Loss of clients due to a fund's poor environmental performance outcomes (e.g. if a fund has suffered climate-related write-downs)

Primary potential financial impact

Reduced profitability of investment portfolios

Climate risk type mapped to traditional financial services industry risk classification

Reputational risk

Company-specific description

The risk for negative public perception or the potential of uncontrollable events to have an impact on our reputation may occur if Cromwell is not seen to be meeting both tenant and investor/client expectations for both acute and chronic impacts of climate change. As an asset manager, Cromwell considers the greatest material risks posed from climate change are likely to be from physical risks from severe weather events directly impacting and damaging managed assets; and indirect impacts, such as increasing operational costs from rising insurance premiums, energy costs, carbon charges and taxes, legislation and operational costs resulting from increased temperature extremities and wear and tear to operating plant and equipment. Many of the assets we manage are located in geographic areas that experience climate-related severe weather events. For example, some of our assets under management in the reporting year are located in in Eastern Australia. In 2022, a third consecutive La Niña contributed to severe rainfall and flooding across Eastern Australia. While none of the properties we managed were impacted by the 2022 events, if this occurs in future there is the risk that clients develop a negative perception of our ability to manage resilient assets and attract and retain tenants in these areas. This would impact returns for investors, decreasing both our revenue and capital funding. We also manage assets in Western Europe, including Germany, United Kingdom, France and Italy. The summer of 2022 was the hottest summer ever recorded in Europe and was characterised by an intense series of record-breaking heat waves, droughts and forest fires across the region. ESG regulations combined with changing tenant preferences will accentuate demand for sustainable office spaces. Our new business strategy will see an increasing focus on managing assets on behalf of third-party clients. The success of our business strategy depends on our reputation as a responsible asset manager that is able to mitigate the increased risks of extreme weather events. Weighted average lease expiry, which. is a measure of tenant retention and important to provide confidence of revenue and returns for investors, for assets under management tends to fall beyond our short term time horizon definition (three years).

Time horizon

Medium-term

Likelihood

Exceptionally unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

201,000,000

Explanation of financial impact figure

Cromwell reported operating profit of $201 million in FY22. It is exceptionally unlikely that our total operating profit would be impacted by the reported risk; therefore, the total figure provides an indication only of a maximum based on the current property investment portfolio. Profit is derived in part from the rental income we derive from property. Our rental income from the investment portfolio was $215.2 million in FY22 (p

23, 2022 Annual Report). This risk could also impact our co-investments, which recorded rental income of $73.7 million in FY22 (p 21). It is exceptionally unlikely that all properties for which we derive rental income would be affected by this risk in a reporting year. We reported $7.8 billion total third party assets under management as at 30 June 2022, with $5.1 billion in Europe and $2.7 billion in Australia and New Zealand. We reported $95.5 million in fees and other revenues from our Fund and Asset Management business segment in FY22 (p 18, 2022 Annual Report). Of this segment, 86% of assets managed in Europe and 60% of assets in Australia are third party assets under management. It is extremely unlikely that our reputation would be so badly impacted that we would lose all assets under management or tenants within those managed assets (revenue).

Cost of response to risk

Description of response and explanation of cost calculation

Cromwell's climate adaption strategy is to ensure that the impacts from climate change are understood and responded to in the short, medium and long term. Developing strategies that ensure property assets remain resilient to climate change whilst setting pathways to improve performance and respond to market demand will protect long-term value of managed property assets. Key to our reputation as a trusted global real estate fund manager that provides strong financial and non-financial management for clients is the development of our ESG Strategy. Our ESG Strategy heightens our ambitions and promotes and recognises ESG as a value driver for building a better business, achieving better returns and accessing greater capital while de-risking parts of our operations. We are developing a group-wide Net Zero Strategy and roadmap with net zero targets that encompass all of our emissions, including those Scope 3 emissions such as our tenants' emissions and embodied carbon. We monitor investor sentiment to ensure that our vision and strategy is delivering value to our securityholders through ongoing engagement. We conduct a biennial investor survey with our retail investors in Australia and actively engage with institutional investors. The need for progressive thinking and creating viable solutions to help mitigate climate change, while delivering performance for our investors is in line with our core corporate value of being progressive. In FY22, Cromwell created a European-based fund aimed at investing in sustainable buildings constructed primarily with timber and/or other renewable materials. The portfolio focus will be on lifecycle sustainability, from the buildings' material origination to operational management, and the intention is to invest in existing income-producing assets, forward-funded projects and non-speculative development. While only one of our funds, it demonstrates our commitment to forward-looking investment strategy as well as progressive and creative solutions whilst still expecting appropriate investment returns. We conduct an annual tenant-customer satisfaction survey in Australia. Feedback shows that our tenants take climate change and environmental management seriously, with the majority on the path to carbon neutrality. However, relatively few feel they have the sustainability metrics and data systems in place to help them achieve their ESG goals. This is an area where Cromwell may be able to engage for mutual benefit in the future.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Investing (Asset manager) portfolio

Opportunity type

Markets

Primary climate-related opportunity driver

Increased demand for funds that invest in companies that have positive environmental credentials

Primary potential financial impact

Increased portfolio value due to upward revaluation of assets

Company-specific description

Cromwell's climate adaption strategy is to ensure that the impacts from climate change are understood and responded to in the short, medium and long term. Responsibly delivering sustainable economic returns for our shareholders and investors is one of the most important measures of success for Cromwell. For investors, we consider that there will be good opportunities in office real estate over the next phase of the real estate investment cycle and into the future. ESG regulations combined with changing tenant preferences will accentuate demand for sustainable office spaces. This need for progressive thinking and creating viable solutions to help mitigate climate change, while delivering performance for our investors. Developing strategies that ensure property assets remain resilient to climate change whilst setting pathways to improve performance and respond to market demand presents a significant opportunity for Cromwell to underpin the long-term value of property assets. Our ability to attract institutional and retail investors, and improve tenant-customer retention and attraction is demonstrated in our capitalisation (cap) rate. High occupancy rates, long leases and rental income are all critical measures of the economic success of our business. Retaining tenants and renewing leases is directly measured through our weighted average lease expiry, currently at 5.9 years for our investment portfolio. Maximising retention reduces the costs of re-leasing, agent's fees and incentives associated with vacancy.

We are proud of our strong reputation with tenants and investors, and we are working towards meeting the anticipated heightened demand for ESG and technological developments. A significant proportion of our tenants are blue chip listed organisations, state and federal Government agencies, with minimum performance standards for NABERS energy, water, temperature and comfort. Meeting these obligations and exceeding these ratings beyond current government lease standards may ensure that we remain a lessor of first choice. The NABERS Sustainable Portfolios Index (SPI) is a comprehensive overview of whole of portfolio performance as opposed to singular asset-based ratings. It provides publicly available analysis of leading property portfolios across Australia, and in 2021 the Cromwell Direct Property Fund (DPF) was added to NABERS SPI for the first time.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

33,170,000

Explanation of financial impact figure

Our ability to attract institutional and retail investors, and improve tenant-customer retention and attraction is demonstrated in our capitalisation (cap) rate. As at 30 June 2022, Cromwell had a market cap of $2.0 billion, a direct property investment portfolio valued at $3.0 billion and total assets under management of $12.0 billion across Australia, New Zealand and Europe. The financial impact of the opportunity overall on our investments, ability to attract additional institutional and retail investors, and improvement in tenant-customer retention and attraction is demonstrated in our capitalisation (cap) rate. For each 1% improvement in capitalisation (cap) rate to the current portfolio, it has been formerly estimated that at least $31 million in value would be generated (lowering the value of the cap rate corresponds to better valuation and a better prospect of returns with a lower level of risk). The weighted average capitalisation rate (WACR) of 5.2% marginally improved from 5.4% at FY21 (p 10, 2022 Annual Report) This is continued improvement from 5.7% in 2020 and 6.47% in June 2017. Continued improvement is underpinned by our business strategy generally, and assisted by our actions mentioned in this opportunity. However, based on the 1% improvement estimate, this would mean $6.2 million in additional value overall during the reporting period ($33.17 million since 2017). The contribution of our actions noted above would be represented within this range.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Cromwell's Investment Committee considers ESG principles for maximum impact in investment strategy. ESG is a high priority for real estate investors, and ESG-based strategies deliver superior long-term capital protection, creation and growth. ESG is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile. In 2022, Cromwell developed

the Sustainable Finance Framework to support and provide transparency to our commitment to fund low carbon, efficient and resilient buildings that meet the ESG ambitions of Cromwell and suppliers and customers through the use of sustainable debt instruments. Proceeds from Green Bonds or Loans issued will be allocated to finance or refinance new and existing assets, projects or activities which meet the eligibility criteria, including regional, national or internationally recognised standards or certifications for
a building's environmental performance and installation, maintenance and repair of solar, wind turbines, hydrogen, geothermal technology or energy storage. As a trusted global real estate fund manager, we can provide confidence of our ability to provide strong financial and non-financial management for clients. Key to achieving this is the development of our new ESG Strategy. We have a Net Zero Strategy and roadmap with ambitious net zero targets that encompass all of our emissions. We monitor investor sentiment to ensure that our vision and strategy is delivering value to our securityholders through ongoing engagement. We conduct a biennial investor survey with our retail investors in Australia and actively engage with institutional investors. We invest in our property assets to ensure that we maximise retention of tenant customers and capitalise on the increasing demand for efficient office spaces. Cromwell has tenant engagement action plans for each of the properties we manage. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Each year, we also survey tenants in Australia and Europe to consider how we can meet their needs. For example, tenants have previously told us that their environmental impact is a key concern. As a result of this feedback, Cromwell has provided tenants with the ability to manage their energy and water footprint through submetering, and this has been further enhanced with systems to track and report on individual sustainability initiatives.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

Responsibly managing our impact on the environment throughout our value chain is critical to the success of our business and the communities in which we operate. Improving a building's energy efficiency not only reduces carbon emissions, but it also lowers energy bills, reduces operating costs and could attract higher rental returns and increase property value. Properties that Cromwell owns and manages are located predominantly in Australia and Europe. Collectively, buildings in the EU are responsible for 40% of the region's energy consumption and 36% of greenhouse gas emissions, which mainly stem from construction, usage, renovation and demolition. The Australian commercial building sector accounts for around 25% of overall electricity use and 10% of total carbon emissions nationally. Currently, 67% of the properties we manage provide office space for tenants. Cromwell's Project Management services integrate sustainability improvements into all works projects, with solar installation projects and energy upgrades including tri-generation power plant installations and building recommissioning. Recycling existing buildings avoids the carbon and financial cost of demolition and new construction, and is becoming increasingly attractive to investors, owners and developers who are interested in pursuing a net zero carbon-built environment. We are also completing studies and engaging with tenants to determine where opportunities exist to adopt these strategies. We are able. to report data for projects already evaluated and budgeted in FY23 and FY24, which brings it into our short term time horizon.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

528,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

In FY22, we undertook a capability assessment to calculate the possible reduction in ongoing energy use and electricity costs, a return on investment, anticipated uplift in NABERS performance and potential increase in property value. Four buildings were selected for a combined total of 500kW of solar to be installed. An additional six projects have been identified for implementation in FY24. Projected costs to install for upcoming projects amounts to approximately $1.00/W. The capital cost estimate for installing 500 MW would therefore be approximately $500,000 and would deliver savings of approximately $528,000 pa, suggesting a payback of around three years. These estimates exclude opportunities to reduce peak demand and capacity charges but also depend on the location of the installation in relation to the actual generation form each installation. Improvements in a building's energy efficiency and reductions benefit both our own operations (ie the cost of base building energy use) and costs to tenants from their energy use. Decreasing tenant costs may also influence rates of retention, which impacts on our financial returns. Qualifying the total financial return from efforts to improve the buildings we own and manage is complex, so we have not used this is in our reported figure above.

Cost to realize opportunity

500,000

Strategy to realize opportunity and explanation of cost calculation

In FY22, we undertook a capability assessment to calculate the possible reduction in ongoing energy use and electricity costs, a return on investment, anticipated uplift in NABERS performance and potential increase in property value. Four buildings were selected for a combined total of 500kW of solar to be installed. An additional six projects have been identified for implementation in FY24. Projected costs to install for upcoming projects amounts to approximately $1.00/W. The capital cost estimate for installing 500 MW would therefore be approximately $500,000 and would deliver savings of approximately $528,000 pa, suggesting a payback of around three years. These estimates exclude opportunities to reduce peak demand and capacity charges but also depend on the location of the installation in relation to the actual generation form each installation. During our buildings' lifecycles, we aim to act as responsible stewards – we generally acquire existing buildings, doing what we can to improve their environmental efficiency and ensure they are performing well, before divestment. Cromwell considers how to align environmental goals with the needs of our tenants and investors. We look ahead to certification trends in Australia and Europe, and have targets to ensure our buildings are being developed to meet the highest possible environmental standards. For example, in Italy, the team is completely transforming the Nervesa 21 office building in Milan on behalf of CEREIT. The building is an example of sustainable, collaborative office space that is increasingly in demand from occupiers, with planned Leadership in Energy and Environmental Design Platinum and International WELL Building Institute Certification. Every owned or managed property in our portfolio has a capital expenditure plan that is updated annually to address plant, equipment, building fabric, refurbishments and energy and water efficiency improvements. We work with contractors to see if the existing tenant fit-out can be reused or recycled and items are documented to enable responsible waste management. We commission energy and water audits of our property investment portfolio to identify opportunities for efficiencies. For our Australian portfolio, enhancements are measured by achieving or improving each building's NABERS energy and water rating on an annual basis.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Investing (Asset owner) portfolio

Opportunity type

Markets

Primary climate-related opportunity driver

Increased diversification of financial assets (e.g., green bonds and infrastructure)

Primary potential financial impact

Increased access to capital

Company-specific description

Cromwell borrows funds from financial institutions and investors to partly fund the acquisition of income producing assets. Real estate assets are both fixed and longstanding in nature. Physical assets must be able to provide tenants with sustainable and resilient utility of space to ensure the asset, and hence the investment, remains profitable in the long term. Cromwell has a target to deliver resilient, revitalised and sustainable asset portfolios that generate value and meet investor and other stakeholder expectations. Strong ESG performance has enabled previous access to Clean Energy Finance in Australia and is supporting discussions on further opportunities to explore green bonds and other finance opportunities. There has been strong growth in the sustainable finance market in the Australasian region in particular. A total of $9.85 billion was reported to have been raised in the Australian sustainable debt market in 2020, Sustainable finance is a rapidly growing market, according to CBA general manager corporate finance and ESG, Jane Thomson, who noted in late 2022, that the bank has partnered with many high-profile clients through their first sustainable finance transactions. Responsibly delivering sustainable economic returns for our shareholders and investors is one of the most important measures of success for Cromwell. The Board of Directors is responsible for Cromwell’s capital management strategy. Capital management is an integral part of Cromwell’s risk management framework and seeks to safeguard Cromwell’s ability to continue as a going concern while maximising securityholder value through optimising the level and use of capital resources and the mix of debt and equity funding. Cromwell Property Group has developed its Sustainable Finance Framework in consultation with the Commonwealth Bank of Australia (CBA) and French-based multinational financial services company Societe Generale to support and provide transparency to Cromwell’s commitment to fund low carbon, efficient and resilient buildings that meet the ESG ambitions of Cromwell and its suppliers and customers through the use of sustainable debt instruments. Cromwell transitioned to its first ever green loan in 2022.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

2,191,700,000

Explanation of financial impact figure

Using access to finance as an example, achieving leading ratings in ESG platforms (such as GRESB, S&P CSA and CDP) provides a potential benefit of $16.5m by supporting continued access to investment grade debt. Cromwell currently reports total amount of current and non-current interest bearing liabilities and derivative financial instruments for FY22 was $2,191.7 million (p 62). While most of this is not currently for green finance, it gives an indication of the maximum amount of debt that may need to be available in future. Cromwell was able to transition an existing $130 million bilateral loan with CBA on the Cromwell Riverpark Trust to a green loan certified by the Climate Bonds Initiative. The debt facility for the Cromwell Riverpark Trust was extended for a further two years, with all other terms remaining the same.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Societe Generale worked as a sustainability coordinator for Cromwell Property Group to develop a Sustainable Finance Framework with a global perspective that reflects Cromwell's presence across 14 countries. The framework adds another dimension to Cromwell's sustainability strategy by enabling all Cromwell funds and related entities to align debt funding needs with sustainability outcomes. By leveraging green or sustainability linked debt, Cromwell Property Group can move significantly closer to meeting our current and future ESG responsibilities, including a Cromwell portfolio Net Zero Scope 1 and 2 target for 2035. Our business strategy will see an increasing focus on managing assets on behalf of third-party clients. As a trusted global real estate fund manager, we can provide confidence of our ability to provide strong financial and non-financial management for clients. In FY23, we are undertaking foundational work to set new baselines for our new ESG targets, build a firm understanding of our current state and prepare for the road ahead. We have set a target to become and maintain signatory membership to the UN Principles for Responsible Investment and then achieve a 5 star rating. The ESG, Risk and Safety Committee will assist the Board by reviewing strategy, monitoring policies, practices, initiatives and disclosures that align with ESG, reviewing objectives and targets and ensuring there is an appropriate system of governance and control over ESG data and reviewing public positions and disclosures on key sustainability issues, among other responsibilities. It will also play an important role in ensuring the closer integration of risk and ESG throughout our decision making and business practices, including finance management. Anticipating future trends and adapting and investing in properties that support our tenants with new ways of working helps us to contribute positively to the broader built environment and our communities. Proactively managing and investing in future trends will help Cromwell retain tenants. All costs associated with these actions are incorporated into the cost of doing business and are therefore not reported separately.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Investing (Asset owner) portfolio

Opportunity type

Resilience

Primary climate-related opportunity driver

Increased reliability, climate- resilience of investment chain

Primary potential financial impact

Increased value of fixed assets

Company-specific description

Developing strategies that ensure property assets remain resilient to climate change whilst setting pathways to improve performance and respond to market demand presents a significant opportunity for Cromwell to underpin the long-term value of property assets. Many of the assets we manage are located in geographic areas that experience climate-related severe weather events. For example, 43% of our assets under management in the reporting year are located in in Eastern Australia. In 2022, a third consecutive La Niña contributed to severe rainfall and flooding across Eastern Australia. None of the properties we managed were impacted by the 2022 events, In previous years, we have had properties in locations that have experienced climate-related extreme weather events, flooding in particular. By limiting the impact on our properties, we protect returns for investors, increasing both our revenue and capital funding. We also manage assets in Western Europe, including Germany, United Kingdom, France and Italy. The summer of 2022 was the hottest summer ever recorded in Europe and was characterised by an intense series of record-breaking heat waves, droughts and forest fires across the region. We successfully managed these conditions for our tenants during the year.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

1,312,000,000

Explanation of financial impact figure

In FY22, we reported a total value of investment properties of $3,740 million. This is an increase of $1,312 million over five years ($2,452 million reported in 2018). While it is difficult to separately account for the increased value of our properties over this period due to climate resiliency and to movements in investment properties acquired and divested, this figure is an indication of the increased value that has been protected by our climate-responsible management.

Cost to realize opportunity

24,000,000

Strategy to realize opportunity and explanation of cost calculation

Cromwell invests significant internal and external resources into completing technical due diligence investigations into building resilience at the time of acquisition and as part of ongoing formal assessments of property assets every three years. By avoiding material risks associated with the purchase of property assets that have material vulnerabilities to weather related incidents and by ensuring our managed assets are continuously reviewed, we remain able to demonstrate significant levels of management and obtain full insurance cover including loss of income across the asset portfolio. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. Due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. Strategic asset plans include analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. Digital technology and innovation is a key enabler to addressing ESG. This year, we implemented a digital hub to collect ESG data from the buildings we manage in Europe. This tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. We commission energy and water audits of our portfolio. For our Australian portfolio, enhancements are measured by achieving or improving each building’s NABERS energy and water rating. We install renewable energy sources wherever possible, calculating the possible reduction in ongoing energy use and electricity costs, ROI. anticipated uplift in NABERS performance and potential increase in property value. Four buildings were selected for a total of 500kW of solar to be installed. Cromwell reported capital works on its investment portfolio of $19.9 million in FY22 (p 84, 2022 Annual Report). plus $4.1 million of capital expenditure commitments contracted but not recognised in the reporting year (p 126). All of our efforts to upgrade out buildings improve their asset value, and while the amounts directly attributable to improved climate resiliency are not separately tracked, this is a requirement of all capital works.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Cromwell has a climate transition plan with actions and timeframes to achieve certain targets that align with a 1.5°C world. As an investor and asset manager, Cromwell considers that the greatest material risks posed from climate change are likely to be from:
• Physical risks from severe weather events directly impacting and damaging assets owned and managed; and
• Indirect impacts, such as increasing operational costs from rising insurance premiums, energy costs, carbon charges and taxes, legislation and operational costs.
Cromwell's climate adaption strategy is to ensure that the impacts from climate change are understood and responded to in the short, medium and long term. Developing strategies that ensure property assets remain resilient to climate change whilst setting pathways to improve performance and respond to market demand presents a significant opportunity for Cromwell to underpin the long-term value of property assets. Cromwell actively engages with retail and institutional investors and tenant-customers. Minimum performance standards for new development and refurbishments and ongoing performance targets influence materials purchasing and engagement with suppliers to support sustainability targets. Cromwell has a climate change position policy to support internal assessment, reporting and management of identified risks. Climate adaptation objectives ensure resilience to physical impacts whilst also adopting opportunities to invest in

sustainable development and support a transition to low carbon outcomes. Where Cromwell maintains operational control of property assets, strategies are in place to deliver opportunities to embrace sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions and technologies. For example, we are currently developing our Net Zero Strategy to commit to and realign targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. Our net zero targets will go beyond operational control into our sphere of influence. Cromwell actively communicates its strategy and progress to investors through the Annual Report and the annual ESG report, where it provides climate-related financial disclosure in line with the TCFD recommendations. Stakeholders are able to contact the team at any time, including at the AGM.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

esgreport_2022_final.pdf

CMW-2022-Annual-Report.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices

Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	Cromwell has incorporated the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 into our technical due diligence reviews for acquisitions and to evaluate our current property portfolio. This was chosen as it was able to consider the extremities that may possibly impact our property assets in the most challenging physical conditions resulting from a global failure to address emissions reduction. As part of our minimum performance requirements for new developments, RCP 8.5 forecasts are now being applied to test the resilience of our designs to future climate impacts. This has led to the introduction of minimum performance standards as well as designs to consider how we deliver net zero by 2030 for all new developments. Understanding the challenges of these forecasts (scenario testing) is helping to inform of our business continuity plans and life cycle and replacement strategies for assets where heating, ventilation, cooling plant, lighting and other services are now falling die for replacement and are likely to have effective performance and economic life cycles of 15 - 30 years leading to and beyond 2050. Our life cycle and capital works plans separately track capital investments to address resilience and efficiency and combined with our strategic asset plans we climate risk is are now being considered and reported to our Board.
Physical climate scenarios RCP 8.5	Company-wide		Cromwell has incorporated the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 into our technical due diligence reviews for acquisitions and to evaluate our current property portfolio. This was chosen as it was able to consider the extremities that may possibly impact our property assets in the most challenging physical conditions resulting from a global failure to address emissions reduction. In the worst-case scenario emissions continue to rise leading to a potential Global temperature increase of 3.2 - 5.4 degrees. IPCC forecasts for Australia have been used to evaluate the impacts from increased temperature extremities, precipitation, storm hail, tidal increases and other acute geographical physical impacts. In addition, forecast global average temperature increases (chronic climate change) have been used to consider the potential capacity of our current building services and infrastructure in our property assets to meet these. As part of our minimum performance requirements for new developments, RCP 8.5 forecasts are applied to test the resilience of our designs to future climate impacts. This has led to the introduction of minimum performance standards as well as designs to consider how we deliver net zero by 2030 for all new developments. The majority of our asserts are commercial offices located

			in major cities. As an example, for existing property assets in Australia, the future tidal and flood inundation forecasts to 2100 have been used as part of the technical building audits that have been implemented in that country. Insurers also undertake regular building inspections and risk reviews and we regularly engage with them to understand changes in risk profile including those associated with climate risk. In 2023, Cromwell participated in the Global Real Estate Sustainability Benchmark (GRESB) resilience module as well as separately engaging a consultant to undertake climate risk analysis for all properties. Further independent modelling will be instructed and adopted as a standard requirement for all new acquisitions .
Physical climate scenarios RCP 2.6	Company-wide		As part of our strategic reviews IPCC RCP 2.6 forecasts are used to inform our action targets and time frames for transition to a low carbon economy. IPCC RCP2.6, alongside alignment with the World Green Building Council and Paris Agreement objectives, assist in developing long-term emission reduction targets. we are currently developing our Net Zero Strategy with verified Science Based Targets, including for new construction by 2030, properties within operational control by 2035 and the entire portfolio by 2040. This is because, as a funds manager, a significant proportion of our emissions are Scope 3. We occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. This includes investment in solar PV. Improving data collection and value chain engagement to support and influence operational changes within these assets will form part of an ongoing dialogue to collaboratively target further opportunities to drive energy and water consumption efficiency. Minimum performance standards for new developments and major refurbishments have been increased to 6 stars NABERS energy, 6-star Green star and 4.5 stars water. In addition, minimum building performance requirements have been introduced for refurbishments and operations. Australian property assets under operational control are subject to regular review to support ESG initiatives including compliance with green lease clauses in our template leases. Review of strategic asset plans and the portfolio performance is undertaken annually and used to reset targets where appropriate. Increasing our understanding of climate

			science and the impacts to our properties is ongoing and will continue to inform our strategies to respond to market competition and investor and tenant customer expectation.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

We are currently developing our Net Zero Strategy with the support of external expertise to commit to and realign emissions targets with verified Science Based Targets. Intergovernmental Panel on Climate Change (IPCC) RCP 2.6 forecasts were used to inform action targets and time frames for transition to a low carbon economy. This included considering corporate travel, procurement and energy, existing targets, resilience and business continuity, sustainability strategy, corporate strategy, governance framework, investment in technology and training, connectivity and sharing of best practice.

Cromwell incorporated IPCC RCP8.5 into technical due diligence reviews for acquisitions and to evaluate our current property portfolio. IPCC RCP8.5 was chosen as it was able to consider the extremities that may possibly impact our property assets in the most challenging physical conditions resulting from a global failure to address emissions reduction. IPCC forecasts for Australia have been used to evaluate the impacts from increased temperature extremities, precipitation, storm hail, tidal increases and other acute geographical physical impacts.

One of our focal questions was, in the worst-case scenario, where emissions could continue to rise leading to a potential global temperature increase of 3.2-5.4 degrees, what would be the impact on our portfolio? Beginning in FY19, we undertook a series of technical building assessments across the Australian portfolio (owned and managed) within our operational control and used the IPCC forecasts for future climate impacts (RCP 8.5) to consider increasing tidal levels, precipitation, maximum temperatures and storm frequency. The results were applied to each of the assets and communicated to both executive and facilities management teams.

The questions for the analysis included those related specifically to the assets within the portfolio, such as:
• Has flood assessment/tsunami risk/seismic risk/landslide risk been undertaken?

• What is the level above sea level for the lowest entry point?
• Levels of the building at, or below, stormwater or sewer drains
• Subterranean levels - design to flood
• Emergency options
and so on.

For each property, the analysis considered general services, contractors, refrigerant, escalators, building management systems and optimisation, water, waste, metering, transport, resilience, building health, and so on.

We introduced an ESG policy that includes climate change, covering adaptation and resilience. Understanding the challenges of these forecasts (scenario testing) is helping to inform of our business continuity plans and life cycle and replacement strategies for assets where heating, ventilation, cooling plant, lighting and other services are now falling die for replacement and are likely to have effective performance and economic life cycles of 15 - 30 years leading to and beyond 2050.

Results of the climate-related scenario analysis with respect to the focal questions

IPCC RCP2.6, alongside alignment with the World Green Building Council and Paris Agreement objectives, assist in developing long-term emission reduction targets.

Following the IPCC RCP8.5 scenario analysis, Cromwell considered the risks of climate change as an asset owner and manager within our property portfolio.

When looking at an acquisition, Cromwell engages specialist consultants to conduct detailed audits that:
• Review existing compliance and capability to meet future design and building certifications to transition towards low/zero carbon
• Review flood zone and geographic impacts
• Conduct vulnerability assessments against IPCC forecasts to the year 2050 and RCP 8.5
• Model to the year 2100 for forecast tidal increase and flood inundation
• Review roof protection and services vulnerability to hail
• Review insurance history and incidences of flood inundation and grid reliability
amongst other things.

For acquisitions, chronic impacts scenario planning was implemented to include:
• Review of system design capacities and operating conditions against historic extreme weather events
• Scenario testing to IPCC RCP 8.5 for predicted weather / temperature extremities and frequencies
• Site considerations for access, proximity to public transport and impacts of increased urbanisation
• Insurance risks including geographic location and operations
(plus others)

Financial considerations for acquisitions were updated to include:
• Capex forecasts for life cycle replacements and for asset improvement pathways to meet target performance and address vulnerabilities
• Insurance cost and noninsurable risk
• Review of opportunities for on-site renewables generation
(plus others)

For asset management, Cromwell climate risk approach was updated to include:
• Detailed strategic asset plans including operations and maintenance
• Annual insurance inspections and risk and claims review
• Technical building assessments every three years or following major events

Chronic impacts were considered:
• Building performance metrics established and reported monthly
• Performance against short, medium and long term targets for energy, water and waste
(plus others)

Financial considerations for acquisitions were updated to include:
• Minimising insurance risks and costs
• Alignment of capital works with asset improvement strategies to deliver performance targets
• Protecting asset valuation, income and occupation
• Minimising increasing costs from supply chain, energy, operating hours for systems to combat weather events
• Green power purchase, solar PV investment and offset strategies
• Reviewing and protecting asset resilience to climate change

(plus others)

Further details of the specific considerations related to climate risk and chronic impacts scenario based on the FY19 analysis were published in our TCFD statement, available online.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Cromwell's global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. Developing strategies that ensure property assets remain resilient to climate change while improving performance and responding to market demand presents a significant opportunity for Cromwell to demonstrate the long-term value of property assets. We have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we will continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. Where Cromwell maintains operational control of property assets, strategies are in place to embrace smart building technologies, sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions and technologies. Strategic asset plans include consideration of outcomes from materiality assessments, scenario analysis impacts and the sustainability objectives in determining the risk and opportunity of adopting investment strategies. Cromwell's Investment Committee considers

		ESG principles for maximum impact in investment strategy. ESG is a high priority for real estate investors, and ESG-based strategies deliver superior long-term capital protection, creation and growth. ESG, including climate change impacts and opportunities, is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile. This is in accordance with the guidance in the UN Principles for Responsible Investment (UN PRI).
Supply chain and/or value chain	Yes	Cromwell has an ESG policy to support internal assessment, reporting and management of identified risks of climate change. We are in the process of aligning and confirming our ambitious net zero targets as part of a Net Zero Strategy that encompasses our scope 3 emissions, including our tenants' emissions and embodied carbon. Where Cromwell maintains operational control of property assets, strategies are in place to deliver opportunities to embrace smart building technologies, sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions. Where Cromwell has an operational mandate but does not maintain operational control, we encourage and support asset operators to act sustainably and to address climate risk directly. Our minimum performance standards for new development and refurbishments and our ongoing performance targets influence our approach to purchasing materials and the suppliers that we engage with to support our targets. Cromwell actively engages with retail and institutional investors. Cromwell has tenant engagement action plans for each of the properties we manage. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Each year, we also survey tenants in Australia and Europe to consider how we can meet their needs. For example, tenants have previously told us that their environmental impact is a key concern. As a result of this feedback, Cromwell has provided tenants with the ability to manage their energy and water footprint through submetering, and this has been further enhanced with systems to track and report on individual sustainability initiatives. Feedback from our annual tenant-customer satisfaction survey in Australia shows that our tenants take climate change and environmental management seriously, with the majority on the path to carbon neutrality and engaging in recycling education. They also indicated that continued education and engagement around recycling was important or very important. However, relatively few feel they have the sustainability metrics and data systems in place to help them achieve their ESG goals. This is an area where Cromwell may be able to engage for mutual benefit in the future.

Investment in R&D	Yes	Cromwell's global strategy is being developed to decarbonise our business towards net zero. Physical impacts associated with a changing climate and weather conditions are projected to have a growing impact on climate risk exposure across our various locations of operation. Our climate adaptation objectives are to ensure that we remain resilient to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low carbon outcomes. The transition to an environmentally sustainable economy is one of the major challenges the real estate industry needs to overcome. Central to this transition is reliable ESG information, meaningful regional and global benchmarks and collective action across the industry towards long-term objectives. To support this transition, Cromwell uses rating systems and reporting initiatives to inform its trajectory and guide a path towards continual improvement in the built environment. Digital technology and innovation is a key enabler to addressing ESG, with demonstrated efficiencies through improved systems, processes and automation. In 2022, we began implementing a digital hub to collect ESG data from the buildings we manage in Europe. We partnered with Deepki, an ESG SaaS company, to simplify the collection process from every available source – from smart meters to building management systems and utility invoices. In the year ahead, this tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. Better reporting will support Cromwell's progress to net zero. For investors, ESG regulations combined with changing tenant preferences will accentuate demand for sustainable office spaces. Creating viable solutions to help mitigate climate change, while delivering performance is in line with our core corporate value of being progressive. In FY22, Cromwell partnered with a third party to create a European based fund aimed at investing in sustainable buildings constructed primarily with timber and/or other renewable materials. The portfolio focus will be on lifecycle sustainability, from the buildings' material origination to operational management. This demonstrates our commitment to forward-looking investment strategy as well as progressive and creative solutions.
Operations	Yes	Cromwell is a supporter of the Task Force on Climate-related Financial Disclosure (TCFD) recommendations and recognises the potential risks and opportunities arising from climate change and a transition to a low-carbon economy. The Group Sustainability Committee is responsible for identifying

		climate-related risks and opportunities. Members of the global leadership team or senior leaders of the business are responsible for ensuring risks and actions are appropriately identified and the risk register is updated in relation to the sustainability framework. Transactions teams, led by the Chief Investment Officer, are responsible for preparing briefing papers including detailed technical, financial and legal reviews on proposed acquisitions. Reviews include comprehensive checklists and property inspections to identify current and future vulnerabilities to impacts from climate change. The Investment Committee or the Board (where applicable) has oversight and approval of asset acquisitions and disposals, including consideration of climate change risk. Cromwell actively engages with retail and institutional investors and tenant-customers. Minimum performance standards for new development and refurbishments and ongoing performance targets influence materials purchasing and engagement with suppliers to support sustainability targets. Cromwell has a climate change position policy to support internal assessment, reporting and management of identified risks. Climate adaptation objectives ensure resilience to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low carbon outcomes. Where Cromwell maintains operational control of property assets, strategies are in place to deliver opportunities to embrace sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions and technologies. Cromwell maintains a comprehensive enterprise risk management system. The objective has been to integrate the impact of climate risks within enterprise risk considerations and to further identify the impact of the sustainability and climate risk management approach as a mitigant and control to organisational risk. Mitigation strategies for climate risk are applied within the business.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence

Row 1	Capital expenditures Acquisitions and divestments Access to capital Assets	Access to capital: Cromwell recognise that access to debt is likely to become increasingly difficult and attract an increasing premium for assets that are determined to be a high risk from the impact of climate change. Failing to respond adequately to both physical and transitional asset-level risk will increasingly expose investments to the risk of early economic obsolescence. When an asset is able to meet market expectations of what it should be able to do – it becomes 'stranded'. Assets and property funds that are susceptible to increased operating costs due to poor performance and a failure to adapt adequately to a transition to a low carbon economy will be less desirable, attract longer vacancy rates and be susceptible to reducing rent, affecting capital yield. Our objective is to continue our capability to attract preferential debt and to maintain access to multiple finance streams. Financial institutions are increasingly looking to ESG performance as a measure of determining strong risk management and resilience to climate change. Our finance working group engages with financial institutions to provide details and explain our sustainability strategy, exploring alternative finance streams including green bonds. We continue to have regular dialogue with the CEFC to explore new funding opportunities and collaborate with European colleagues to explore green bond opportunities across the group. From discussions with a number of financiers we identified that the top 5 rating surveys are Sustainalytics, MSCI, ISS, S&P CSA and CDP. We respond to each and report to our board on performance. Our financial planning strategy includes setting a variety of financial instruments to spread expiry and provide diversity. By engaging with institutions to understand emerging risks and expectations and implementing these into our operating strategies, our objective is to be able to respond to long term trends. Capital expenditures: Risk management, including the risk of climate change impacts is addressed in all management processes, compliance documentation, due diligence, asset plans, property management reports, debt plans and capital and maintenance programs. To support the ongoing allocation of capital and procedural improvements to support asset resilience, Cromwell has introduced a climate change position policy to support internal assessment, reporting and management of identified risks. Where Cromwell maintains operational control of property assets, strategies are in place to deliver opportunities to embrace smart building technologies, sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions and technologies. For directly owned and managed assets, a capex plan is prepared for each property at acquisition and updated annually to address the replacement of ageing plant, equipment and building fabric, including 10-year operations and refurbishment works as well as energy and water efficiency improvement opportunities. Technical building assessments are conducted every three years to ensure that changes in climate projections, stakeholder demand and portfolio holdings are considered in our strategic asset management plans and capital works planning.

		Acquisitions and divestments: Cromwell's commitment is to minimise emissions, monitor and mitigate climate risk, engage with stakeholders to encourage emissions reducing behaviour in line with the aims of the Paris Agreement to strengthen the global response to the threat of climate change by keeping a global temperature rise this century to well below 2 degrees. Our approach includes expanding our understanding of the physical and transitional risks affecting our business and ensuring that we have appropriate strategies in place to address these risks. Physical impacts associated with a changing climate and weather conditions are projected to have a growing impact on climate risk exposure across our various locations of operation. In order to understand and prepare for associated impacts, Cromwell has committed to embedding risk management and resilience assessments into all relevant acquisitions and operational strategies. Due diligence for property acquisitions is conducted where assets are evaluated against long term forecast temperature, tide, inundation, precipitation and storm impacts. Operating performance is compared against current best practice and future performance targets for energy and water. Assets: The nature of the real estate sector necessitates long-term thinking, as real assets are both fixed and longstanding in nature. Physical assets must be able to provide tenants with sustainable and resilient utility of space to ensure the asset, and hence the investment, remains profitable in the long term. Failing to respond adequately to both physical and transitional asset-level risk will increasingly expose investments to the risk of early economic obsolescence. When an asset is able to meet market expectations of what it should be able to do – it becomes 'stranded'. For physical assets to maintain their present utility, and hence value, into the future, asset managers must increasingly consider climate risk issues alongside regular capital and operational expenditure to inform ongoing asset improvements and avoid the risk of asset stranding. This includes not only the direct physical impact of extreme weather events, but also includes other impacts including shifts in consumer preferences for low-carbon products, sustainable buildings, increasing insurance premiums, growing risk of litigation and other increased operational costs. Physical impacts associated with a changing climate and experienced weather conditions are projected to have a growing impact on climate risk exposure across our various locations of operation. Technical building assessments are conducted every three years to ensure that changes in climate projections, stakeholder demand and portfolio holdings are considered in our strategic asset management plans and capital works planning. Strategic asset plans now include consideration against the outcomes from materiality assessments, scenario analysis impacts and sustainability objectives. Our climate adaptation objectives ensure that we remain resilient to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low carbon outcomes. In Europe in FY22, Cromwell established a wooden building and logistics fund. Advances in engineered timber and construction allow asset owners to substantially improve the

		environmental performance of their buildings, while simultaneously, also meeting investors requirements for capital to be deployed in a more sustainable way. The ongoing development of timber-based construction creates an attractive and expanding investment opportunity.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	Yes, we identify alignment with our climate transition plan

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

Revenue/Turnover

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

377,600,000

Percentage share of selected financial metric aligned in the reporting year (%)

94.6

Percentage share of selected financial metric planned to align in 2025 (%)

94.6

Percentage share of selected financial metric planned to align in 2030 (%)

94.6

Describe the methodology used to identify spending/revenue that is aligned

Based on revenue in FY22, as reported in the 2022 Annual Report, pp 20-23. Total revenue for the year was $377,600,000 (excluding net fair value gains, share of profit, foreign currency gains, gain on sale and other income). From this, we are excluding JVs, where Cromwell does not have a majority ownership of >51% and/or does not have operational control (Phoenix Portfolios, LDK Healthcare, Oyster Property Group), with the exception of CEREIT, that reports its operations as working towards a net zero future. Revenues from these totalled $20,200,000 for the year, less than 6% of all revenue. Cromwell recognises the potential risks and opportunities arising from climate change and a transition to a low-carbon economy across all of its operations as a Group. Cromwell's commitment is to minimise emissions, monitor and mitigate climate risk, engage with stakeholders to encourage emissions reducing behaviour. Cromwell has a target of meeting net zero by 2040 for all operations and net zero on new construction by 2030. We believe the reported revenue % aligns with our transition to a 1.5 degree world now and in the future. Our corporate operations are certified carbon neutral, while our management approach to asset management (our source of revenue) and indirect emissions is to avoid, minimise, influence and support. The principal activities of Cromwell and the Trust are:

Investment portfolio - the ownership of investment properties located in Australia, Poland and Italy. These properties, which may be held for long term investment purposes or warehoused whilst being repositioned for deployment into the fund and asset management business, primarily contribute net rental income and associated cash flows to results.

Co-investments - This activity encompasses Cromwell's investments in assets it may not fully own or over which it cannot exercise unilateral control. This includes investments in the Cromwell European Real Estate Investment Trust (CEREIT), the Ursynów joint venture, the LDK Seniors living joint venture and other investment vehicles. This activity contributes the relevant share of profit of each investee to consolidated results. (As mentioned above, JVs where Cromwell does not have a majority ownership of > 51% and/or does not have operational control are excluded from the reported %. The exception is for CEREIT, that reports its operations as working towards the transition to a net zero future.)

Fund and asset management - Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results. Across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. In these assets, as Manager, Cromwell is unable to directly set policy or implement change. Non-operational control property assets are excluded from the reporting boundary of our sustainability reporting; however, Cromwell still manages these assets as part of its strategic asset management plans, which align with our transition to a zero carbon future.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

20,100,000

Percentage share of selected financial metric aligned in the reporting year (%)

100

Percentage share of selected financial metric planned to align in 2025 (%)

100

Percentage share of selected financial metric planned to align in 2030 (%)

100

Describe the methodology used to identify spending/revenue that is aligned

Cromwell reviews of the actual and potential impacts of climate change across its operations. Assessment of the risk to properties from acute physical events related to weather extremities and longer-term chronic effects relies on and is informed by the growing body of climate science research and engagement with insurers, financiers and industry organisations. Capital works plans and forecast expenditure spanning multiple years are prepared for each property asset. The capital expenditure plan is prepared at acquisition and updated annually to address the replacement of aging plant, equipment and building fabric. Plans include consideration against the
outcomes from materiality assessments and sustainability objectives are factored into determining the risk and opportunity to respond to long term systematic change to climate. Cromwell reported a total of $20.1 million spent on capital works for investment properties in 2022 (p 84, Annual Report). 100% of this expenditure aligns with our transition to net zero. There were no capital expenditures reported for fund and asset management or co-investments. An additional amount of capital expenditure commitments of $4.1 million was reported, but this has not been included in the figures, as it did not occur in 2022.
Cromwell recognises the potential risks and opportunities arising from climate change and a transition to a low-carbon economy across all of its operations as a Group. Cromwell's commitment is to minimise emissions, monitor and mitigate climate risk, engage with stakeholders to encourage emissions reducing behaviour. Cromwell has a target of meeting net zero by 2040 for all operations and net zero on new construction by 2030. We believe the reported revenue % aligns with our transition to a 1.5 degree world now and in the future. Our corporate operations are certified carbon neutral, while our management approach to asset management (our source of revenue) and indirect emissions is to avoid, minimise, influence and support. The principal activities of Cromwell and the Trust are:
Investment portfolio - the ownership of investment properties located in Australia, Poland and Italy. These properties, which may be held for long term investment purposes or warehoused whilst being repositioned for deployment into the fund and asset management business, primarily contribute net rental income and associated cash flows to results.
Co-investments - This activity encompasses investments in assets we may not fully own or over which we cannot exercise unilateral control. This includes investments in the Cromwell European Real Estate Investment Trust (CEREIT), the Ursynów joint venture, the LDK Seniors living joint venture and other investment vehicles. This activity contributes the relevant share of profit of each investee to consolidated results. (As mentioned above, JVs where Cromwell does not have a majority ownership of > 51% and/or does not have operational control are excluded from the reported %. The exception is for CEREIT, that reports its operations as working towards the transition to a net zero future.)
Fund and asset management - Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results. Across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. Non-operational control property assets are excluded from the reporting

boundary of our sustainability reporting; however, Cromwell still manages these assets as part of its strategic asset management plans, which align with our transition to a zero carbon future.

Financial Metric

OPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

73,100,000

Percentage share of selected financial metric aligned in the reporting year (%)

100

Percentage share of selected financial metric planned to align in 2025 (%)

100

Percentage share of selected financial metric planned to align in 2030 (%)

100

Describe the methodology used to identify spending/revenue that is aligned

Property expenses and outgoings include rates, taxes and other property outgoings and other expenses are recognised on an accruals basis. We have used this as an indicator of operating expenses as reported in our Annual Report. The total property expenses and outgoings for the reporting year as reported in segment results were $73.1 million (p 72). This only applies to co-investments and the investment portfolio (no property operating expenses apply to funds and asset management). As for the reported % of revenue, we would have excluded JVs, where Cromwell does not have a majority ownership of >51% and/or does not have operational control (Phoenix Portfolios, LDK Healthcare, Oyster Property Group), with the exception of CEREIT, that reports its operations as working towards a net zero future. However, because these sit in the funds and asset management segment, this as no impact on the operating expenses reported for the year. This means 100% of operating expenses occur in business segments that align with our transition to net zero (co-investments and investment portfolio).

Cromwell recognises the potential risks and opportunities arising from climate change and a transition to a low-carbon economy across all of its operations as a Group. Cromwell's commitment is to minimise emissions, monitor and mitigate climate risk, engage with stakeholders to encourage emissions reducing behaviour. Cromwell has a target of meeting net zero by 2040 for all operations and net zero on new construction by 2030. We believe the reported revenue % aligns with our transition to a 1.5 degree world now and in the future. Our corporate operations are certified carbon neutral, while our management approach to asset management (our source of revenue) and indirect emissions is to avoid, minimise, influence and support. The principal activities of Cromwell and the Trust are:
Investment portfolio - the ownership of investment properties located in Australia, Poland and Italy. These properties, which may be held for long term investment purposes or warehoused whilst being repositioned for deployment into the fund and asset management business, primarily contribute net rental income and associated cash flows to results.
Co-investments - This activity encompasses Cromwell's investments in assets it may not fully own or over which it cannot exercise unilateral control. This includes investments in the Cromwell European Real Estate Investment Trust (CEREIT), the Ursynów joint venture, the LDK Seniors living joint venture and other investment vehicles. This activity contributes the relevant share of profit of each investee to consolidated results. (As mentioned above, JVs where Cromwell does not have a majority ownership of > 51% and/or does not have operational control are excluded from the reported %. The exception is for CEREIT, that reports its operations as working towards the transition to a net zero future.)
Fund and asset management - Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results. Across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. In these assets, as Manager, Cromwell is unable to directly set policy or implement change. Non-operational control property assets are excluded from the reporting boundary of our sustainability reporting; however, Cromwell still manages these assets as part of its strategic asset management plans, which align with our transition to a zero carbon future.

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our policies include climate-related requirements that clients/investees need to meet

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio

Investing (Asset manager)

Type of policy

Risk policy
Engagement policy
Sustainable/Responsible Investment Policy
Other, please specify
ESG Policy

Portfolio coverage of policy

7.14

Policy availability

Publicly available

Attach documents relevant to your policy

Cromwell_Property_Group_ESG-Policy.pdf
FY22 results presentation.pdf
FY22-Data-Pack.xlsx
CG_Enterprise-Risk-Management-Policy_approved-July-2022.pdf
esgreport_2022_final.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Set a science-based emissions reduction target
Set an emissions reduction target
Be on track to achieving a science-based emissions reduction target
Develop a climate transition plan
Develop pathways to net-zero by 2050 or sooner

Value chain stages of client/investee covered by criteria

Direct operations and supply chain

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Real Estate

Exceptions to policy based on

Explain how criteria required, criteria coverage and/or exceptions have been determined

Cromwell provides asset and property services to funds in which it has a financial interest or alternatively to funds managed by third parties. In the FY22 results presentation, Cromwell reported total global asset management of 3.4 million m2. Total property owned had a net lettable area of 774,942 m2 and is taken out of the total reported to enable calculation of the % above (p 85, 2022 Annual Report for details of Cromwell's Investment Property Portfolio and "Building Attributes" tab of the FY22 Data pack for net lettable area). Data from assets with a net lettable area of 187,504m2 are reported in our annual ESG reporting from assets. ("Building Attributes", FY22 Data Pack) This means xx% of managed assets fell within the reporting boundary, based on total asset area under management. Where Cromwell has operational control of the assets under management, we collect data as nominated above. Non-operational control property assets are excluded.

In FY22, asset management comprised of:
• Australian Retail and Wholesale Funds Under Management and property management - our funds management business covers property assets where Cromwell is both Fund and Asset Manager. Operational control varies based on the individual asset and established lease agreements. Those covered by the % above include:
- Cromwell Ipswich City Heart Trust
- Cromwell Property Trust 12
- Cromwell Riverpark Trust
- Direct Property Fund
- Northpoint Tower Property Trust
• European Funds Under Management - these have been excluded from the % above as they are not under operational control for various reasons.

Within the co-investment portfolio, this included:
• Cromwell European Real Estate Investment Trust - CEREIT is managed by a subsidiary of Cromwell, which operates within the listing rules of the Singapore Stock Exchange. Cromwell is able to exert significant influence, but not control, over the entity, CEREIT has adopted similar policies and reports this data annually itself. CEREIT manages 1.9 million m2 of total asset area.

Other Exclusions – Coverage of our ESG policy does not include joint ventures.

Portfolio

Investing (Asset owner)

Type of policy

Risk policy
Engagement policy
Sustainable/Responsible Investment Policy
Other, please specify
ESG Policy

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

FY22-Data-Pack.xlsx
CG_Enterprise-Risk-Management-Policy_approved-July-2022.pdf
esgreport_2022_final.pdf
CMW-2022-Annual-Report.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Set a science-based emissions reduction target
Be on track to achieving a science-based emissions reduction target
Develop a climate transition plan
Develop pathways to net-zero by 2050 or sooner

Value chain stages of client/investee covered by criteria

Direct operations and supply chain

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Real Estate

Exceptions to policy based on

Explain how criteria required, criteria coverage and/or exceptions have been determined

Cromwell's investment portfolio is comprised of 17 property assets within the Diversified Property Trust in Australia and property assets in Poland and Italy (p 85, 2022 Annual Report and FY22 Data Pack "Building Attributes" tab).

In FY22, the co-investment portfolio comprised of:
• Cromwell Polish Retail Fund - a portfolio of seven shopping centres, inclusive of the 50% interest in the Ursynów asset with Unibail-Rodamco.
• Cromwell Italy Urban Logistics Fund - The CIULF portfolio contains seven logistics assets in Italy. The portfolio is currently
fully let to and occupied by one tenant, logistics giant DHL.

Cromwell reports on the combined emissions and other environmental data for all of these on an annual basis. For one (Chatswood), Cromwell has 50% ownership and reports 50% of the total reported data.

C-FS3.6c

(C-FS3.6c) Why does the policy framework for your portfolio activities not include climate-related requirements for clients/investees, and/or exclusion policies?

Our policy framework does include climate-related requirements for clients and investees (as noted above), but it does not currently include exclusion policies. However, we recognise that climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell's global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. Cromwell's Investment Committee considers ESG principles for maximum impact in investment strategy. ESG is a high priority for real estate investors, and ESG-based strategies deliver superior long-term capital protection, creation and growth. ESG is considered in every facet of our investment strategy, from macro-sector allocations though asset selection and management to occupier profile. This is in accordance with the guidance in the UN Principles for Responsible Investment (UN PRI).

Our ESG Strategy heightens our ESG ambitions and promotes and recognises ESG as a value driver for building a better business, achieving better returns and accessing greater capital while de-risking parts of our operations and supply chain directly impacted by ESG issues. We are undertaking extensive work to develop a group-wide Net Zero Strategy and roadmap with ambitious net zero targets that encompass all of our emissions, including those Scope 3 emissions such as our tenants' emissions and embodied carbon, not just emissions from our assets under operational control. We monitor investor sentiment to ensure that our vision and strategy is delivering value to our securityholders through ongoing engagement. For investors, we consider that there will be good opportunities in office real estate over the next phase of the real estate investment cycle and into the future. ESG regulations combined with changing tenant preferences will accentuate demand for sustainable office spaces. This need for progressive thinking and creating viable solutions to help mitigate climate change, while delivering performance for our investors. Currently, 67% of the properties we manage provide office space for tenants. For investors, we believe there will be opportunities in office real estate over the next phase of the investment cycle and into the future. The incoming ESG regulations in Europe, and likely future laws elsewhere globally, combined with a broader social acknowledgement that the future office must be sustainable, will accentuate demand for compliant and desirable office space in a market where this is in scarce supply. Cromwell considers how to align environmental goals with the needs of our tenants and investors. We look ahead to certification trends in Australia and Europe, and have targets to ensure our buildings are being developed to meet the highest possible environmental standards. For example, in Italy, the team is completely transforming the Nervesa 21 office building in Milan on behalf of Singapore Exchange-listed Cromwell European REIT. The building is an excellent example of the sort of sustainable, collaborative office space that is increasingly in demand from occupiers, with planned Leadership in Energy and Environmental Design Platinum and International WELL Building Institute Certification.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Not applicable, because we do not have externally managed assets	Other, please specify We do not have external asset managers	Cromwell does not have external investment managers for any assets in the portfolio.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target
Intensity target
Portfolio target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

Well-below 2°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Category 13: Downstream leased assets
Category 15: Investments

Base year

2022

Base year Scope 1 emissions covered by target (metric tons CO2e)

0

Base year Scope 2 emissions covered by target (metric tons CO2e)

104.6

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

79,698.43

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

61,180.2

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

140,878.63

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

140,983.23

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2045

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

0

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

104.6

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

79,698.43

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

61,180.2

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

140,878.63

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

140,983.23

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

New

Please explain target coverage and identify any exclusions

We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. Our net zero target will apply to new construction by 2030, those properties under operational control by 2035 and the entire portfolio for scope 1, 2 and 3, including tenant emissions and embodied carbon by 2045. We will also validate our net zero targets using the Science Based Targets Initiative Net Zero Standard.

Plan for achieving target, and progress made to the end of the reporting year

Climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell's global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we will continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. As a capital light fund manager that focuses on the acquisition and uplift of existing buildings, we have a far lighter carbon footprint - with our embodied carbon largely limited to maintenance and refurbishment. During our buildings' lifecycles, we aim to act as responsible stewards – we generally acquire existing buildings, doing what we can to improve their environmental efficiency and ensure they are performing well, before divestment. We are in the process of aligning and confirming our ambitious net zero targets as part of a Net Zero Strategy that encompasses our scope 3 emissions, including our tenants' emissions and embodied carbon and are excited to progress towards them in FY23.

List the emissions reduction initiatives which contributed most to achieving this target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

Year target was set

2017

Target coverage

Country/area/region

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 13: Downstream leased assets

Intensity metric

Other, please specify

kg CO2e per square metre (NLA)

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

54.7

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

54.7

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

54.7

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

67

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

67

% of total base year emissions in all selected Scopes covered by this intensity figure

67

Target year

2025

Targeted reduction from base year (%)

24

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

41.572

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

16

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

45.2

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

45.2

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

45.2

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

72.3644119439

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

All Australian portfolio assets under operational control - base building only. Electricity and gas (kgCO2e/sqm).

Plan for achieving target, and progress made to the end of the reporting year

We commission energy and water audits of our property investment portfolio to identify opportunities for efficiencies. For our Australian portfolio, these enhancements are measured by achieving or improving each building's NABERS energy and water rating on an annual basis. During FY22, two of our properties improved their NABERS energy ratings and eight improved their water ratings.

List the emissions reduction initiatives which contributed most to achieving this target

C-FS4.1d

(C-FS4.1d) Provide details of the climate-related targets for your portfolio.

Target reference number

Por1

Year target was set

2017

Portfolio

Investing (Asset owner)

Product type/Asset class/Line of business

Real estate/property

Sectors covered by the target

Real estate

Target type

Portfolio emissions

Target type: Absolute or intensity

Absolute

Scopes included in temperature alignment

Metric (or target numerator if intensity)

tCO2e

Target denominator

Base year

2022

Figure in base year

140,878.43

Percentage of portfolio emissions covered by the target

100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)

Invested value

Percentage of portfolio covered by the target, using a monetary metric

100

Frequency of target reviews

Annually

Interim target year

Figure in interim target year

Target year

2045

Figure in target year

0

Figure in reporting year

140,878.63

% of target achieved relative to base year [auto-calculated]

-0.0001419664

Aggregation weighting used

Proportion of portfolio emissions calculated in the reporting year based on asset level data

100

Proportion of the temperature score calculated in the reporting year based on company targets

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science-based target initiative in the next two years

Target ambition

Well-below 2°C aligned

Please explain target coverage and identify any exclusions

Our newly developed targets for FY23 and beyond include developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. Our net zero targets will cover new construction by 2030; those assets under operational control by 2035; and our entire portfolio for Scope 1, 2 and 3, including tenant emissions and embodied carbon by 2045.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 10

Year target was set

2022

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2022

Consumption or production of selected energy carrier in base year (MWh)

% share of low-carbon or renewable energy in base year

Target year

2030

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

New

Is this target part of an emissions target?

This target helps us meet our net zero target, with a target to achieve net zero for new construction by 2030 and operational control by 2035.

Is this target part of an overarching initiative?

Science Based Targets initiative

Please explain target coverage and identify any exclusions

We are currently developing our Net Zero Strategy with the support of external expertise and have committed to verified Science Based Targets. The target for 100% renewable energy procurement by 2035 applies to assets within our operational control.

Plan for achieving target, and progress made to the end of the reporting year

We have committed to renewable electricity procurement of 80% by 2025 and 100% by 2030. 40,627 MWh of renewable electricity was purchased for assets in our investment portfolio, funds and asset management and co-investment portfolios for the year.

List the actions which contributed most to achieving this target

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2045

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions

We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions. Our net zero target will apply to new construction by 2030, those properties under operational control by 2035 and the entire portfolio for scope 1, 2 and 3, including tenant emissions and embodied carbon by 2045. We will also validate our net zero targets using the Science Based Targets Initiative Net Zero Standard.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

Planned actions to mitigate emissions beyond your value chain (optional)

Climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell’s global strategy is being developed to decarbonise our business towards net zero. This will ensure our portfolio and the assets under our management are ready for the impacts of climate change both now and into the future. This minimises the risk to our business and provides assurance to investors that we are prepared and stable in the long term. We strive to consider the direct impacts of climate change across all levels of our business and throughout the stages of portfolio management. For example, we have set targets to ensure that due diligence for all property acquisitions includes evaluation of physical climate risks such as long term forecasts for temperature, tide, inundation, rainfall and acute weather events. For our property investment portfolio, we will continue to conduct technical building assessments every three years to ensure we stay in step with any developments in climate science. Strategic asset plans include the analysis of climate change scenarios, sustainability objectives and the risks and opportunities. Strategic asset plans also apply to funds under management. As a capital light fund manager that focuses on the acquisition and uplift of existing buildings, we have a far lighter carbon footprint - with our embodied carbon largely limited to maintenance and refurbishment. During our buildings' lifecycles, we aim to act as responsible stewards – we generally acquire existing buildings, doing what we can to improve their environmental efficiency and ensure they are performing well, before divestment. We are in the process of aligning and confirming our ambitious net zero targets as part of a Net Zero Strategy that encompasses our scope 3 emissions, including our tenants' emissions and embodied carbon and are excited to progress towards them in FY23.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	6	540
Implementation commenced*	4	480
Implemented*	8	35,049

Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

1,305

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

165,000

Investment required (unit currency – as specified in C0.4)

650,000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

At Cromwell, we install renewable energy sources on our properties wherever possible. Prior to FY22, solar was installed in properties within our investment portfolio and our fund and asset management portfolio. These generated 370 MWh of electricity in FY22. Based on data on prior electricity consumed by the buildings, this would have equalled approximately 285 t CO2e saved in FY22.

In FY22, we undertook a capability assessment across our directly owned and managed portfolio. The assessment allowed us to calculate the possible reduction in ongoing energy use and electricity costs, a return on investment, anticipated uplift in NABERS performance and potential increase in property value. Four buildings were selected for a combined total of 500kW of solar to be installed in FY23.

We extended our assessment to include additional properties in our portfolio for installation in FY24. Based on all the current assessments, total estimated annual CO2e savings are the average estimated across all of the buildings earmarked for solar installation in FY23 and FY24, applying the anticipated average MWh delivered per year from commercial solar installations of this size. Cost savings and investment required reflect those projects to be delivered in FY24, from our own budgeting.

This project represents the data relates to three initiatives "Implemented", six initiatives "To be implemented" and four initiatives "Implementation commenced" above.

Initiative category & Initiative type

Energy efficiency in buildings

Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Scope 3 category 15: Investments

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

We commission energy and water audits of our property investment portfolio to identify opportunities for efficiencies. For our Australian portfolio, these enhancements are measured by achieving or improving each building's NABERS energy and water rating on an annual basis. During FY22, two of our properties improved their NABERS energy ratings and eight improved their water ratings. While some of this is due to changes in building use over periods affected by COVID-19 lockdowns and changes in working habits, the effect of site-specific energy and water reduction targets is also apparent. Unfortunately, we recorded a drop in four properties in either water or energy ratings and we are looking at ways to do better by carefully examining site data.

This data relates to one of the initiatives "Implemented" above.

Initiative category & Initiative type

Energy efficiency in buildings

Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Scope 3 category 15: Investments

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Digital technology and innovation is a key enabler to addressing ESG, with demonstrated efficiencies through improved systems, processes and automation. This year, we began implementing a digital hub to collect ESG data from the buildings we manage in Europe. We partnered with Deepki, an ESG SaaS company, to simplify the collection process from every available source – from smart meters to building management systems and utility invoices. In the year ahead, this tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. Better reporting will also support Cromwell's progress to net zero.

We are currently unable to report annual CO2e savings, monetary savings or the investment required, but will take steps to enable this in future reporting.

This is one of the initiatives noted as "Implemented" above.

Initiative category & Initiative type

Waste reduction and material circularity

Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)

33

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

110,000

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Cromwell has tenant engagement action plans for each of the properties we manage in Australia. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Each year, we also survey tenants in Australia and Europe to consider how we can meet their needs. For example, tenants have previously told us that their environmental impact is a key concern. As a result of this feedback, Cromwell has provided tenants with the ability to manage their energy and water footprint through submetering, and this has been further enhanced with systems to track and report on individual sustainability initiatives. During the year, tenants raised the issue of waste management. To meet both their expectations and ours, we instigated a national waste stream education programme in Australia. This programme included specific information on waste stream separation, data capture and reporting, as well as recycling rates. Each of our Australian property managers oversees building-specific environmental initiatives and consumption information with quarterly reporting requirements. We currently engage an independent third party to capture and report on waste diversion data. From FY20 to FY22, we reported a reduction in emissions from waste due to diversion from landfill of 66 t CO2e. We have averaged this at 33 t CO2e per year.

This data relates to one of the initiatives "Implemented" above.

Initiative category & Initiative type

Waste reduction and material circularity

Product/component/material reuse

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Scope 3 category 15: Investments

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Every owned or managed property in our portfolio has a capital expenditure plan that is updated annually to address plant, equipment, building fabric, refurbishments and energy and water efficiency improvements. One example of considering our environmental impact is in tenant fit-outs within our properties. We work with contractors to see if the existing fit-out can be reused or recycled, and items are documented to enable responsible waste management. Upgrading existing fit-out means less waste and uses less new resources. In FY23, we will be considering the end-of-life management of materials before they come onto our sites. Because emissions from the use of these capital goods are not accounted for in either scope 1 or scope 2, but rather in our investment portfolio (scope 3), this also places emissions reductions in the "Downstream leased assets", or "Investments" scope 3 categories.

We are currently unable to report annual CO2e savings, monetary savings or the investment required, but will take steps to enable this in future reporting.

This data relates to one of the initiatives "Implemented" above.

Initiative category & Initiative type

Low-carbon energy consumption

Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

34,728

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 13: Downstream leased assets

Scope 3 category 15: Investments

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

Cromwell has a target for renewable electricity procurement of 80% by 2025 and 100% by 2030. In line with this target, renewable electricity was purchased by properties within our fund and asset management portfolio and our co-investments in FY22. The total amount of renewable electricity purchased was 40,627 MWh. The majority of this occurred in Europe. Based on the consumption of electricity at those sites that purchased renewable electricity and their footprint from non-renewable electricity usage, we estimate CO2e savings. for the year of 34,728 t.

There are no monetary savings from purchasing renewable energy or investment required.

This data relates to two of the initiatives "Implemented" above.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	We have a dedicated forecast budget line item for capital works that have specific sustainability impacts on energy and emissions, water and waste reduction. Each year as part of the capital works and strategic asset plans, forecast costs to implement capital works linked to Sustainability initiatives are reviewed and weighted against impact and importance. To identify savings opportunities to meet energy reduction targets, there is a dedicated worklist of opportunities. Where these

	taken forward, they are added to a sustainability specific action list against each property and included in the strategic asset plan.
Employee engagement	We engage with teams across the organisation to promote continuous improvement and generation of new ideas. Our materiality reviews feed into ESG objectives that are included in executive, senior managers and individual's personal objectives and performance reviews. Within our property, projects, development and facilities team regular meetings are held to seek improvements to performance across our assets and to share ideas and knowledge. We identify new savings opportunities at property assets by engaging as a team to focus on selected assets and projects to implement ongoing improvements and resolve challenges. Facilities Management teams are provided with training on climate change and resilience. Each year, we recognise employees who embody our wide-ranging sustainability practices into their working day. In FY22, the Sustainable Practices Award went to Morgan Neufeldt, Facilities Manager, Australia, who identified new opportunities to make Cromwell more sustainable and support our tenants; and Lukasz Mroczynski, Technical Manager, Poland, who improved ESG reporting and data.
Compliance with regulatory requirements/standards	We look ahead to certification trends in Australia and Europe, and have targets to ensure our buildings are being developed to meet the highest possible environmental standards. For our Australian portfolio, these enhancements are measured by achieving or improving each building's NABERS energy and water rating on an annual basis. During FY22, two of our properties improved their NABERS energy ratings and eight improved their water ratings. Cromwell also uses the Green Building Council of Australia's (GBCA) Green Star suite of rating tools to evaluate the environmental design and construction of new and refurbished buildings and performance over the life of the asset. For Cromwell's Australian assets, we have established minimum standards for all new construction and major refurbishment projects. Green Star initiatives can be categorised into two fields: • Portfolio level improvements - which represent Group policies and practices applicable at all Cromwell assets; and • Asset level improvements - which are tailored to respond to risks and opportunities assessed at each site. In Europe, Cromwell uses the Building Research Establishment Environmental Assessment Method (BREEAM) across select buildings to assess, rate and certify the sustainability of buildings. BREEAM rating assessments evaluate indices covering energy and water use, health and wellbeing, pollution, transport, materials, waste, ecology and management processes. For example, in Italy, the team is completely transforming the Nervesa 21 office building in Milan on behalf of Singapore Exchange-listed Cromwell European REIT. The building is an excellent example of the sort of sustainable, collaborative office space that is increasingly in demand from occupiers, with planned Leadership in Energy and Environmental Design Platinum and International WELL Building Institute Certification. In FY22, Cromwell and construction

	partner B+K delivered new offices for M&G on behalf of Stirling Development Agency. The building has been designed to meet stringent sustainability objectives, scoring BREEAM Excellence and using a number of zero and low-carbon technologies. The building was designed to WELL standards, with health and well-being as priorities.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Investing

Real estate/Property

Taxonomy or methodology used to classify product

Climate Bonds Taxonomy

Description of product

The Cromwell Riverpark Trust delivers investors income and capital returns. The Trust is underpinned by Energex House located at 33 Breakfast Creek Road in Newstead, Queensland. The anchor tenant, Energy Queensland Limited, is one of Australia's largest and fastest growing energy suppliers and occupies 94% of the 30,601 sqm of net lettable area of the building on a long lease. As one of Queensland's most energy efficient commercial buildings, Energex House has earned a Six Star Green Star rating and a 5.5 Star NABERS rating. [The Riverpark green bond was certified in 2022 by the Climate Bonds Initiative under the criteria for Low Carbon Buildings - Property Upgrade.] Portfolio value reported at https://www.cromwell.com.au/cromwell-funds-management/wp-content/uploads/sites/2/2023/04/CRT-Annual-Financial-Report-Jun-22.pdf. Total portfolio value in FY22 was reported at $3 billion (p 3, 2022 Annual Report). However, this is just the first classified sustainable finance investment, as part of our Sustainable Finance Framework development. In FY22, Cromwell also created a European based fund aimed at investing in sustainable buildings constructed primarily with timber and/or other renewable materials. The portfolio focus will be on lifecycle sustainability, from the buildings' material origination to operational Management, and the intention is to invest in existing income-producing assets, forward-funded projects and non-speculative development. While only one of our funds, it demonstrates our commitment to forward-looking investment strategy as well as progressive and creative solutions whilst still expecting appropriate investment returns.

Product enables clients to mitigate and/or adapt to climate change

Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)

338,378,000

% of total portfolio value

11

Type of activity financed/insured or provided

Green buildings and equipment

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 2 (location-based)

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

107.3

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not report a market-based Scope 2 emissions figure.

Scope 3 category 1: Purchased goods and services

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

116.9

Comment

Includes Cleaning Services, Food & Catering, Postage, Printing, Domestic Hotel Accommodation, International Hotel Accommodation, Advertising and Taxis

Scope 3 category 2: Capital goods

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Under the GHG protocol, capital goods are defined as manufacturing of capital equipment owned or controlled by the operating company. Cromwell do not own or operate any manufacturing operations or own any equipment related to these activities. Under the climate Active Protocol all relevant activities for reporting were determined by external consultants and verified by auditors as part of our certification process. For our property asset ownership and management under the reporting boundary, Cromwell own, lease and manage direct property or act as fund manager for property assets this was also determined to fall outside of the required reporting boundary for scope 3 reporting.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Energy indirect emissions from transmission and distribution losses associated with purchased electricity within the operational control boundary are included in scope 2 emissions reported. There are no other fuel and energy related activities that were not already included in scope 1 and 2 emission reported during the reporting year.

Scope 3 category 4: Upstream transportation and distribution

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Transport related to upstream activity is negligible and therefore noted as not relevant for the reporting year. We will continue to monitor this in future.

Scope 3 category 5: Waste generated in operations

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

34.3

Comment

Waste data has been estimated by an independent external carbon management consultant, based on NLA and relevant NABERS ratings. Waste from our real estate assets is generated by our tenants and is outside our operational control boundary.

Scope 3 category 6: Business travel

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

1,113.9

Comment

Emissions are calculated for air travel. Emissions are calculated by independent external carbon management consultant. Business air travel includes travel for Australian-based employees to Europe for the executive management of the European funds management business.

Scope 3 category 7: Employee commuting

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

173.5

Comment

Emissions are calculated by independent external carbon management consultant. An employee commute survey was undertaken in 2018 by an independent external carbon management consultant as part of our GHG assessment. Cromwell employees emitted a total of 173.5 t CO2-e as a result of travelling approximately 1,022,260 passenger kilometers travelling to and from work. 53.3% of total passenger km travelled was by car.

Scope 3 category 8: Upstream leased assets

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Cromwell Property Group own and lease assets to others (i.e., lessors), see downstream leased assets for associated scope 3 emissions. There are no upstream leased assets for the reporting period.

Scope 3 category 9: Downstream transportation and distribution

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Cromwell does not engage in transportation or distribution activities within the reporting boundary.

Scope 3 category 10: Processing of sold products

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Cromwell invest in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

Scope 3 category 11: Use of sold products

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Cromwell invest in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

Scope 3 category 12: End of life treatment of sold products

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

Cromwell invest in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

Scope 3 category 13: Downstream leased assets

Base year start

July 1, 2018

Base year end

June 30, 2019

Base year emissions (metric tons CO2e)

22,364

Comment

Based on AU properties within the reporting boundary, for which we collected data in 2019. (We did not report this data using the same methodology in 2018.)

Scope 3 category 14: Franchises

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

This does not form part of Cromwell's business activities and does not occur within the reporting Boundary.

Scope 3 category 15: Investments

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

77,024

Comment

Emissions reported include those reported by Cromwell European REIT (CEREIT) for 2018, in which Cromwell Property Group held an approximately 30% investment. CEREIT have adopted the Sponsor's Sustainability Framework and the CEREIT Board oversees ESG matters, producing a stand-alone sustainability report annually. For their latest report go to www.cromwelleuropeanreit.com.sg/sustainability CEREIT purchases renewable energy in Denmark, Germany, the Netherlands, Finland and low carbon intensive energy in France for managed connections. We will look to extend our data collection for other investments moving forward.

Scope 3: Other (upstream)

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

All relevant scope 3 emissions are accounted for in categories already listed.

Scope 3: Other (downstream)

Base year start

July 1, 2017

Base year end

June 30, 2018

Base year emissions (metric tons CO2e)

0

Comment

All relevant scope 3 emissions are accounted for in categories already listed.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Australia - National Greenhouse and Energy Reporting Act

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

0

Start date

July 1, 2021

End date

June 30, 2022

Comment

Scope 1 emissions are those over which a company has direct control via ownership of activities. The GHG assessment for Cromwell included the following locations and facilities:

• Level 19, 200 Mary Street, Brisbane

• Level 14, 167 Macquarie Street, Sydney

• 700 Collins Street, Melbourne
• 243 Northbourne Avenue, Lyneham

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
0

Start date
July 1, 2020

End date
June 30, 2021

Comment
The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane
• Level 14, 167 Macquarie Street, Sydney
• 700 Collins Street, Melbourne
• 243 Northbourne Avenue, Lyneham

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
0

Start date
July 1, 2019

End date
June 30, 2020

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
0

Start date
July 1, 2018

End date
June 30, 2019

Comment
The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

Past year 4

Gross global Scope 1 emissions (metric tons CO2e)
0

Start date

July 1, 2017

End date

June 30, 2018

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We are reporting a Scope 2, location-based figure for the reporting year and all previous years. For FY22, we are also reporting a market-based figure. Emissions associated with energy consumption for the base building/common areas included in the Scope 2 total. Reported emissions are calculated using the methodologies and emission factors derived from the National Greenhouse Accounts (NGA) Factors4 in accordance with "Method 1" from thecNational Greenhouse and Energy Reporting (Measurement) Determination 20085 for the relevant reporting period.. All data records and associated calculations are centralised to a single data management system to ensure data integrity.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

283.1

Scope 2, market-based (if applicable)

249.6

Start date

July 1, 2021

End date

June 30, 2022

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane
• Level 14, 167 Macquarie Street, Sydney
• 700 Collins Street, Melbourne
• 243 Northbourne Avenue, Lyneham

Past year 1

Scope 2, location-based

105.8

Scope 2, market-based (if applicable)

Start date

July 1, 2020

End date

June 30, 2021

Comment

The GHG assessment for Cromwell included the following locations and facilities:

• Level 19, 200 Mary Street, Brisbane

• Level 14, 167 Macquarie Street, Sydney

• 700 Collins Street, Melbourne

• 243 Northbourne Avenue, Lyneham

Past year 2

Scope 2, location-based

110.5

Scope 2, market-based (if applicable)

Start date

July 1, 2019

End date

June 30, 2020

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

Past year 3

Scope 2, location-based

116

Scope 2, market-based (if applicable)

Start date

July 1, 2018

End date

June 30, 2019

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

Past year 4

Scope 2, location-based

107.3

Scope 2, market-based (if applicable)

Start date

July 1, 2017

End date

June 30, 2018

Comment

The GHG assessment for Cromwell included the following locations and facilities:
• Level 19, 200 Mary Street, Brisbane QLD 4000
• Level 14, 167 Macquarie Street, Sydney NSW 2000
• F2, Level 23, 100 Miller Street, North Sydney NSW 2060
• U13, Level 5, 700 Collins Street, VIC 3000
• 243 Northbourne Avenue, Lyneham ACT 2602
• 7b, 1 Rialto Quay Drive, Hope Island QLD 4213

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

897.6

Emissions calculation methodology

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Only GHG emissions that fall within the Australian operations of the corporate organisational and operational boundaries have been reported. Pangolin Associates Pty Ltd (Pangolin Associates) were commissioned to conduct a comprehensive assessment of the greenhouse gas (GHG) emissions accountable to the Australian operations of Cromwell for FY22, including utilities (telecommunications, base building water), equipment (IT, paper, stationery, staff clothing) and third party services (purchased goods and services including cleaning, food and catering, postage, printing, taxi, rideshare, care hire). Activity value presented may be a derived number expressed as the quantity unit for use with the NGA factors workbook on NGERS (Measurement) Determination (whichever is relevant) as converted from raw data supplied. Expenditure based activities were calculated using the input/output method and may be an overestimation of actual emissions from third-party services and equipment usage. As a top-down approach, these emission factors are inherently less accurate than a process based co-efficient, however do provide for a conservative and more accessible methodology.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Under the GHG protocol, capital goods are defined as manufacturing of capital equipment owned or controlled by the operating company, where emissions from their use are accounted for in either scope 1 (e.g., for fuel use) or scope 2 (e.g., for electricity use), rather than in scope 3. Cromwell do not own or operate any manufacturing operations or own any equipment related to these activities within our corporate operations. While we do undertake capital expenditure that relates to our assets, because this occurs in our investment portfolio (emissions from use occurring as scope 3), this would also place those emissions in the "Downstream leased assets", or "Investments" scope 3 categories. For our fund and asset management under the reporting boundary, Cromwell manage direct property or act as fund manager for property assets so this was also determined to fall outside of the required reporting boundary for scope 3 reporting.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

25.4

Emissions calculation methodology

Average data method

Fuel-based method

Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Only GHG emissions that fall within the Australian corporate operations of the organisational and operational boundaries have been reported. Emissions associated with base building electricity, base building natural gas and employees working from home have been included in fuel-and-energy related activities not reported in scope 1 and 2. Base building electricity for Sydney was calculated using the most recent NABERS rating, as consumption data was unavailable. There are no other fuel and energy related activities that were not already included in scope 1 and 2 emission reported during the reporting year.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Transport related to upstream corporate activity is negligible and therefore noted as not relevant for the reporting year. We will continue to monitor this in future.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

16.4

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Only GHG emissions that fall within the Australian corporate operations of the organisational and operational boundaries have been reported. Data is recorded in Envizi and associated emissions are calculated using Australian National Greenhouse Account Factors for different waste streams. Waste data includes only mixed waste that has gone to landfill. This also includes emissions related to wastewater. Due to the impacts of Covid-19, year-on-year comparability is limited for FY21 and FY22.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

372.4

Emissions calculation methodology

Average spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Only GHG emissions that fall within the Australian corporate operations of the organisational and operational boundaries have been reported. Pangolin Associates Pty Ltd (Pangolin Associates) were commissioned to conduct a comprehensive assessment of the greenhouse gas (GHG) emissions accountable to the Australian operations of Cromwell for FY22, including business travel (flights) and domestic hotel accommodation. Flights are reported by distance category. These are Very Short (under 400km), Short (between 400 and 3,700km), and Long (longer than 3,700km). An 8% uplift factor is incorporated into the emission factors to consider non-direct routes (i.e., not along the straight-line great circle distances between destinations) and delays/circling. Activity value may be a derived number expressed as the quantity unit for use with the NGA factors workbook on NGER (Measurement) Determination (whichever is relevant) as converted from raw data supplied. Due to the impacts of Covid-19, year-on-year comparability is limited for FY21 and FY22.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

132.3

Emissions calculation methodology

Average data method
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Pangolin Associates were commissioned to conduct a comprehensive assessment of the greenhouse gas (GHG) emissions accountable to the Australian operations of Cromwell for FY22, including employee commuting. Emissions were calculated following the results of an employee travel survey. Car travel accounted for most of the distance travelled by employees, making up 51.1% of the total distance travelled. Car travel also contributed to most of the commute emissions, accounting for 79.0% of the total. Due to the impacts of Covid-19, year-on-year comparability is limited for FY21 and FY22.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Cromwell Property Group owns and leases assets to others (i.e., lessors), see downstream leased assets for associated scope 3 emissions. There are no upstream leased assets for the reporting period. Cromwell has a lease over a Sydney office; however, no data is available from the lessor in relation to Cromwell's component of consumption for the office base building services. The metered electricity is recorded and billed to Cromwell separately and included in our reported scope 2 emissions.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Cromwell does not engage in transportation or distribution activities within the reporting boundary.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Cromwell invests in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Cromwell invest in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Cromwell invests in, owns and manages property assets or manages property funds on behalf of investors. There are no sold products associated with this service other than the service of management, for which travel, and other ancillary emissions are accounted for as part of the review.

Downstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

40,900

Emissions calculation methodology

Methodology for direct use phase emissions, please specify

Australian National Greenhouse Account factors workbook on NGER (Measurement) Determination (whichever is relevant) as converted from raw data supplied; relevant factors in Europe for relevant properties

Methodology for indirect use phase emissions, please specify

Australian National Greenhouse Account factors workbook on NGER (Measurement) Determination (whichever is relevant) as converted from raw data supplied; relevant factors in Europe for relevant properties

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Cromwell uses the operational control approach to leased assets, where the GHG Protocol stipulates that emissions from fuel combustion and the use of purchased electricity will always be scope 3 (indirect) for the lessor. Cromwell captures data for reporting on the operational control boundary, which includes emissions derived from tenant purchased electricity, natural gas and fugitive emissions from stored refrigerant, from both our investment portfolio and our fund and asset management business activities in Australia. Tenant electricity consumption is largely metered; however, there are a number of non-operationally controlled assets where metered data is not automatically tracked via our data management system (Envizi). In these instances, we rely on biennial tenant data requests to provide this information. Emissions derived from tenancy electricity and gas use accounts for reported scope 3 for ‘downstream leased assets’. Data is uploaded to Envizi where associated emissions are calculated using GHG protocol methodology (location-based). All emissions associated with tenancy gas consumption sourced via an automatic meter feed and recorded in Envizi.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

This does not form part of Cromwell's business activities and does not occur within the reporting Boundary.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

99,979

Emissions calculation methodology

Average data method

Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Cromwell European REIT (CEREIT) is a Singaporean Listed REIT with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe. Cromwell is the Sponsor of CEREIT, through its 27.8% investment as at 30 June 2022. CEREIT have adopted the Sponsor's Sustainability Framework and the CEREIT Board oversees ESG matters, producing a stand-alone sustainability report annually. For their latest report go to www.cromwelleuropeanreit.com.sg/sustainability. CEREIT purchased 100% renewable energy in Denmark, Germany, the Netherlands, Finland and 98% low carbon intensive energy in France for managed connections. Emissions reported include those reported by CEREIT in 2022, in its 2022 Sustainability Report. This set of data has been independently verified by third-party assurer, Longevity Partners. In addition, Cromwell has restructured its business divisions to include the Cromwell Polish Retail Fund (CPRF) and the Cromwell Italy Urban Logistics Fund (CIULF) portfolios as co-investments. Those properties in Poland and Italy were included in "Downstream leased assets" in FY21. Both funds have now been identified as "non-core".

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

All relevant scope 3 emissions are accounted for in categories already listed.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

All relevant scope 3 emissions are accounted for in categories already listed.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

July 1, 2020

End date

June 30, 2021

Scope 3: Purchased goods and services (metric tons CO2e)

115.6

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

209.4

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

12.7

Scope 3: Business travel (metric tons CO2e)

81.1

Scope 3: Employee commuting (metric tons CO2e)

90.5

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

36,001.68

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

47,116

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Data reported for previous reporting year for categories included in our boundary.

Past year 2

Start date

July 1, 2019

End date

June 30, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

664.9

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

186.3

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

32.4

Scope 3: Business travel (metric tons CO2e)

1,349.8

Scope 3: Employee commuting (metric tons CO2e)
81.4

Scope 3: Upstream leased assets (metric tons CO2e)
0

Scope 3: Downstream transportation and distribution (metric tons CO2e)
0

Scope 3: Processing of sold products (metric tons CO2e)
0

Scope 3: Use of sold products (metric tons CO2e)
0

Scope 3: End of life treatment of sold products (metric tons CO2e)
0

Scope 3: Downstream leased assets (metric tons CO2e)
19,399.3

Scope 3: Franchises (metric tons CO2e)
0

Scope 3: Investments (metric tons CO2e)
61,298

Scope 3: Other (upstream) (metric tons CO2e)
0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Data reported for previous reporting year for categories included in our boundary.

Past year 3

Start date

July 1, 2018

End date

June 30, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

484.8

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

302.9

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

34.2

Scope 3: Business travel (metric tons CO2e)

1,956.4

Scope 3: Employee commuting (metric tons CO2e)

192.7

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

37,907.36

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

30,487

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Note: this was reported for financial year 2019, with the exception of "Investments", which is for the calendar year 01/01/2019-31/12/2019 (CEREIT). All reporting switched to financial year in following years.

Past year 4

Start date

July 1, 2017

End date

June 30, 2018

Scope 3: Purchased goods and services (metric tons CO2e)

125.3

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

122.8

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

34.3

Scope 3: Business travel (metric tons CO2e)

1,113.9

Scope 3: Employee commuting (metric tons CO2e)

173.5

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

12,356

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Note: this was reported for financial year 2017/18, with the exception of "Investments", which is for the calendar year 01/01/2018-31/12/2018 (CEREIT). We did not collect data on downstream leased assets, but this would have applied in the reporting year.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000001838

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
104.6

Metric denominator
unit total revenue

Metric denominator: Unit total
568,800,000

Scope 2 figure used
Location-based

% change from previous year
4

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain

While we reported scope 2 emissions using both market and location based methods for FY22, we only reported location based emissions for FY21. We have therefore made the comparison to FY21 using the location based data for both years. In FY21, the intensity figure was 0.0000001914. This is approximately 4% higher than the intensity figure for FY22. Cromwell reduced the amount of electricity consumed during the year in its corporate offices. Energy reduction initiatives such as light sensors and improvements in ICT equipment usage occurred during this period. Covid lockdowns also impacted office use, particularly in Sydney and Melbourne, although this was also the case in FY21.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Australia	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Corporate	0

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	283.1	249.6

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Corporate	283.1	249.6

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Cromwell did not purchase renewable electricity for its corporate offices in FY22. Renewable electricity was purchased for properties within its portfolio.
Other emissions reduction activities	8.1	Decreased	9.2	Cromwell corporate offices reduced electricity consumption over the reporting year. Monitoring and improving NABERS ratings is one of our initiatives to reduce emissions and energy use. Each of our four corporate offices in Australia are located in buildings with 5 and 5.5 star NABERS ratings. Energy and water audits measure each building's NABERS energy and water rating on an annual basis, providing the chance for improvement in energy performance and efficiency. Reductions in this period at our Melbourne and Sydney offices were also due to COVID-19 lockdowns and changes in working habits. However, it is not possible to separate out the portion of reduced emissions from these two offices due to lockdowns alone, particularly since offices were also impacted by lockdowns in

				the previous reporting year.
Divestment				This did not apply to Cromwell in the reporting period.
Acquisitions				This did not apply to Cromwell in the reporting period.
Mergers				This did not apply to Cromwell in the reporting period.
Change in output				This did not apply to Cromwell in the reporting period.
Change in methodology				This did not apply to Cromwell in the reporting period.
Change in boundary				This did not apply to Cromwell in the reporting period.
Change in physical operating conditions				This did not apply to Cromwell in the reporting period.
Unidentified				This did not apply to Cromwell in the reporting period.
Other				This did not apply to Cromwell in the reporting period.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of purchased or acquired electricity	62.4	250.85	313.25
Total energy consumption	62.4	250.85	313.25

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

Australia

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Wind, solar, hydro, biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

62.4

Tracking instrument used

Australian LGC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Australia

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Cromwell reported market-based emissions from corporate offices in Australia for the first time in FY22. Total grid demand in offices in Queensland, NSW, Victoria and the ACT was 313.25 MWh. Mandatory LGCs totalled 58.23 MWh; jurisdictional LGCs totalled 4.2 MWh, giving a renewable percentage of 19.9%. Renewable electricity is entirely grid-imported for the period. Large-Scale Generation Certificates (LGCs) are retired by suppliers in Australia under the Renewable Energy Target (RET). For example, in NSW, renewable generation includes large scale and rooftop solar; hydro power stations; wind power stations; and biomass power stations. Similar renewable energy sources apply in each state. The ACT grid is 100% renewable energy.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Australia

Consumption of purchased electricity (MWh)

313.25

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

313.25

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Cromwell Property Group has developed its Sustainable Finance Framework to support and provide transparency to Cromwell's commitment to fund low carbon, efficient and resilient buildings that meet the ESG ambitions of Cromwell and its suppliers and customers through the use of sustainable debt instruments. An amount equivalent to the net proceeds from Green Bonds or Loans issued pursuant to this Framework will be allocated to finance or refinance, in part or in full, new and existing assets, projects or activities which meet eligibility criteria.

C-CN9.6a/C-RE9.6a

(C-CN9.6a/C-RE9.6a) Provide details of your organization's investments in low-carbon R&D for real estate and construction activities over the last three years.

Technology area

Resilient buildings

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

0

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

0

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Green buildings eligibility criteria for sustainable finance:

Existing, planned or refurbished buildings or portfolios which meet one of the following regional, national or internationally recognised standards or certifications for environmental performance:

• Green Building Council of Australia Green Star “Design and/or As Built” and/or “Performance” rating of minimum 5 Stars;

• NABERS, either of the following:

- Individual properties with a NABERS Energy rating of minimum 5 Star; OR

- Assets, projects or portfolios that meet the criteria outlined in the NABERS Sustainable Finance Framework for building upgrades or low carbon portfolios;

• BREEAM certification of minimum “Very Good”;

• Leadership in Energy and Environmental Design (LEED) certification of minimum “Gold”;

• Energy Performance Certificate (EPC) of A or B for European buildings;

• Commercial office buildings certified to the CBS Sector Criteria for Buildings — Commercial Buildings Criteria;

• Upgrade projects, including energy efficiency investments and refurbishments, which achieve a minimum 30% carbon emissions reduction against a business-as-usual baseline;
• Any other assets that obtain a green building certification equivalent to the above.
The Cromwell Green Finance Committee comprises members of the Investment Committee, Treasury, Property and ESG team. The Treasurer is ultimately responsible for compliance with the Cromwell Sustainable Finance Framework. This includes the following:
1. Ensuring that proceeds from Green Bonds and Loans are earmarked for financing projects that meet the above eligibility criteria;
2. Identifying, evaluating, selecting and scheduling projects that meet the eligibility criteria;
3. Managing Green Bonds and Green Loans on issue;
4. Removing any projects that no longer meet the eligibility criteria or have been disposed of, and replacing them with new projects as soon as feasible;
5. Managing external reviews, including pre-issuance, post-issuance and annual assurance by an approved verifier against the relevant standards and compliance with certification;
6. Validating reporting requirements;
7. Maintaining the Sustainable Finance Framework to remain up to date with the evolving sustainable financing market and the latest legislation, standards and best practice.
The Sustainable Finance Framework was implemented in 2022 and therefore did not investment in the reporting year.

Technology area

Building integrated photovoltaic systems

Stage of development in the reporting year

Small scale commercial deployment

Average % of total R&D investment over the last 3 years

0

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

0

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Renewable energy criteria for eligibility for sustainable finance:
• Photovoltaic solar arrays on-site and dedicated support infrastructure and expenditures;
• Installation, maintenance and repair of solar photovoltaic, wind turbines, hydrogen, geothermal technology or energy storage.
The Cromwell Green Finance Committee comprises members of the Investment Committee, Treasury, Property and ESG team. The Treasurer is ultimately responsible for compliance with the Cromwell Sustainable Finance Framework. This includes the following:
1. Ensuring that proceeds from Green Bonds and Loans are earmarked for financing projects that meet the above eligibility criteria;
2. Identifying, evaluating, selecting and scheduling projects that meet the eligibility criteria;
3. Managing Green Bonds and Green Loans on issue;
4. Removing any projects that no longer meet the eligibility criteria or have been disposed of, and replacing them with new projects as soon as feasible;
5. Managing external reviews, including pre-issuance, post-issuance and annual assurance by an approved verifier against the relevant standards and compliance with certification;
6. Validating reporting requirements;
7. Maintaining the Sustainable Finance Framework to remain up to date with the evolving sustainable financing market and the latest legislation, standards and best practice.
The Sustainable Finance Framework was implemented in 2022 and therefore did not investment in the reporting year.

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?

No, but we plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

We have set a strategy and a commitment to meet net zero for all new construction by 2030 and to deliver net zero for the entire portfolio for Scope 1, 2 and 3, including tenant emissions and embodied carbon by 2045. We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. We also occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions.

Actions to identify improvement opportunities form part of a collaborative objective comprising asset managers, facilities, project, development and sustainability teams. Changes in technology and other emerging opportunities to further improve upon this target will be introduce as part of a continuous review that occurs as part of ongoing operations and annual strategy setting across the organisation.

As new technology, materials and further opportunities arise and are adopted into new developments across our industry, we will look to embrace these as and when possible to further improve the efficacy of our assets and reduce dependency on grid-based renewables and offsetting.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Cromwell FY2022 GHG Report.pdf

Page/ section reference

1-39

Relevant standard

ASAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Cromwell FY2022 GHG Report.pdf

Page/ section reference

1-49

Relevant standard

ASAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Cromwell FY2022 GHG Report.pdf

Page/section reference

1-49

Relevant standard

ASAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Investments

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Cromwell European REIT Assurance Statement 2023 Revised.pdf

Page/section reference
pp 1-8

Relevant standard
AA1000AS

Proportion of reported emissions verified (%)
61.19

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Energy consumption	AA1000	Data provided covers the Cromwell European Real Estate Investment Trust (CEREIT). Data under assurance included energy, greenhouse gas emissions, water and waste data reported in the GRESB Asset Level Spreadsheet where available. A list of all assets for which data has been assured is available in the appendix. Energy, water and waste data specifically relates to: • Landlord and tenant electricity consumption • Procured off-site renewable electricity consumption • Landlord and tenant fuel consumption • Scope 1, 2 and 3 carbon emissions • Landlord and tenant water consumption • Waste production and management (includes estimations in some cases) • The associated data availability period reported • #/% of green leases • number and level of green building certifications defined as BREEAM, LEED or equivalent. 1
C7. Emissions breakdown	Waste data	AA1000	Data provided covers the Cromwell European Real Estate Investment Trust (CEREIT). Data under assurance included energy, greenhouse gas emissions, water and waste data reported in the GRESB Asset Level Spreadsheet where available. A list of all assets for which data has been assured is available in the appendix. Energy, water and waste data specifically relates to: • Landlord and tenant electricity consumption • Procured off-site renewable electricity consumption • Landlord and tenant fuel consumption • Scope 1, 2 and 3 carbon emissions • Landlord and tenant water consumption • Waste production and management (includes estimations in some cases) • The associated data availability period reported

			• #/% of green leases • number and level of green building certifications defined as BREEAM, LEED or equivalent. [1]

[1]Cromwell European REIT Assurance Statement 2023 Revised.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Hydro

Type of mitigation activity

Emissions reduction

Project description

Wind Grouped project by Hero Future Energies Private Limited, India.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

1,728

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2021

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project

Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

No requirements

Potential sources of leakage the selected program requires this project to have assessed

Not assessed

Provide details of other issues the selected program requires projects to address

Comment

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, our investees

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

1

% total procurement spend (direct and indirect)

0.5

% of supplier-related Scope 3 emissions as reported in C6.5

39.7

Rationale for the coverage of your engagement

Digital technology and innovation is a key enabler to addressing ESG, with demonstrated efficiencies through improved systems, processes and automation. This year, we began implementing a digital hub to collect ESG data from the buildings we manage in Europe. We partnered with Deepki, an ESG SaaS company, to simplify the collection process from every available source – from smart meters to building management systems and utility invoices. We use the Envizi platform to collect this data for Australian assets. Use of ICT services and equipment represent the largest single contribution of our scope 3 emissions for FY22 not related to property assets (39.7%, recorded as part of our purchased goods and services); however, the reasons for engaging with this supplier was to reduce our downstream scope 3 emissions, which represent the largest of not only our scope 3 emissions, but our overall carbon footprint. This engagement will not reduce our supplier emissions.

Impact of engagement, including measures of success

In the year ahead, this tool will help us improve efficiency, make informed decisions on impact, mitigate physical risks, decarbonise and enhance the value of buildings. Better reporting will also support Cromwell’s progress to net zero. Our timeframe for meeting net zero emissions for properties under our operational control is 2035. By 2045, we will meet net zero for our entire portfolio for Scope 1, 2 and 3, including tenant emissions and embodied carbon. Meeting this target will require extensive collaboration with partners in our value chain and our tenants in particular. Engaging successfully with tenants will be enabled by the use of this kind of supplier provided digital technology.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

5

% of customer - related Scope 3 emissions as reported in C6.5

1

Please explain the rationale for selecting this group of customers and scope of engagement

Feedback from our annual tenant-customer satisfaction survey in Australia shows that our tenants take climate change and environmental management seriously, with the majority on the path to carbon neutrality and engaging in recycling education. They also indicated that continued education and engagement around recycling was important or very important. However, relatively few feel they have the sustainability metrics and data systems in place to help them achieve their ESG goals. This is an area where Cromwell may be able to engage for mutual benefit in the future. Cromwell has tenant engagement action plans for each of the properties we manage. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Each year, we also survey tenants in Australia and Europe to consider how we can meet their needs. During the year, tenants raised the issue of waste management. To meet both their expectations and ours, we instigated a national waste stream education program in Australia, using the services of a third party supplier. Their program included specific information on waste stream separation, data capture and reporting, as well as recycling rates. Each of our Australian property managers oversees building-specific environmental initiatives and consumption information with quarterly reporting requirements. While only a small part of our tenants' emissions footprint, it gives us an opportunity to further identify ways that we can reduce climate change impacts.

Impact of engagement, including measures of success

Over the past two years, we have helped tenants reduce waste going to landfill by 5%. This has had an emissions reduction benefit of 66 t CO_2e. Tenants have previously told us that their environmental impact is a key concern. As a result of this feedback, Cromwell provided tenants with the ability to manage their energy and water footprint through submetering, and this has been further enhanced with systems to track and report on individual sustainability initiatives.

Type of engagement & Details of engagement

Collaboration & innovation

Collaborate with customers in creation and review of your climate transition plan

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

Cromwell considers how to align environmental goals with the needs of our tenants. Climate change represents one of the most significant challenges facing the property industry today. From ensuring the safety and wellbeing of our tenants to preserving the value of our property assets and reducing the impact of extreme weather events, Cromwell is focused on ensuring stability and resilience for all stakeholders. Cromwell's global strategy is being developed to decarbonise our business towards net zero. We are in the process of aligning and confirming our ambitious net zero targets as part of a Net Zero Strategy that encompasses our scope 3 emissions, including our tenants' emissions. We are engaging with tenants to create our transition plan and reduce their emissions in line with this target.

Impact of engagement, including measures of success

This target and strategy was developed during the reporting year. In the short term, we intend to validate our net zero targets using the Science Based Targets Initiative Net Zero Standard. Our timeframe for meeting net zero emissions for properties under our operational control is 2035. By 2045, we will meet net zero for our entire portfolio for Scope 1, 2 and 3, including tenant emissions and embodied carbon. Meeting this target will require extensive collaboration with partners in our value chain and our tenants in particular.

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients

Clients of Asset Managers (Asset owners)

Type of engagement

Information collection (understanding client behavior)

Details of engagement

Collect climate change and carbon information at least annually from long-term clients

% client-related Scope 3 emissions as reported in C-FS14.1a

100

Portfolio coverage (total or outstanding)

100

Rationale for the coverage of your engagement

Engagement targeted at clients with increased climate-related opportunities

Impact of engagement, including measures of success

We are proud of our strong reputation with tenants, and we are working towards meeting the anticipated heightened demand for ESG and technological developments. Proactive engagement is critical to this process, allowing us to gauge sentiment, receive up-to-date feedback and respond to requests.

Cromwell has tenant engagement action plans for each of the properties we manage. We conduct quarterly tenant meetings on site, with a standardised agenda and minute taking for consistency. Each year, we also survey tenants in Australia and Europe to consider how we can meet their needs. For example, tenants have previously told us that their environmental impact is a key concern. As a result of this feedback, Cromwell has provided tenants with the ability to manage their energy and water footprint through submetering, and this has been further enhanced with systems to track and report on individual sustainability initiatives.

Feedback from our annual tenant-customer satisfaction survey in Australia shows that our tenants take climate change and environmental management seriously, with the majority on the path to carbon neutrality and engaging in recycling education. They also indicated that continued education and engagement around recycling was important or very important. However, relatively few feel they have the sustainability metrics and data systems in place to help them achieve their ESG goals. This is an area where Cromwell may be able to engage for mutual

benefit in the future.
We currently collect data and engage with all of the tenant-customers (clients) for which we report scope 3 data under "Downstream leased assets", as part of our property investment portfolio. These are all based in Australia. This does not apply to scope 3 data reported under "Investments", or to the fund and asset management and co-investments business segments (where Cromwell is not the asset owner).

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement

Engagement & incentivization (changing investee behavior)

Details of engagement

Exercise active ownership
Encourage better climate-related disclosure practices among investees
Encourage investees to set a science-based emissions reduction target

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

61.19

Investing (Asset managers) portfolio coverage

90

Investing (Asset owners) portfolio coverage

0

Rationale for the coverage of your engagement

Engagement targeted at investees with increased climate-related risks

Impact of engagement, including measures of success

Asset management engagement reflects engagement with the Australian asset management business and the Cromwell European REIT (CEREIT) portfolio. Cromwell continues to manage and sponsor CEREIT, a SGX-listed real estate investment trust. The investment and asset management policies and procedures for CEREIT are now guided by the aspirational goal of achieving Net Zero operational carbon emissions by 2040 and the future proofing of the portfolio. CEREIT's sustainability progress in the five years since listing, when CEREIT had zero properties that were green rated by BREEAM or LEED. Five years later, 31 buildings, out of which 25 or 77% of the office portfolio by value have been certified, with tenants now paying particular attention to certification in their rental decisions. CEREIT formalised a green financing framework in 2022 and have since completed two sustainability-linked loans worth more than €250 million, while also incorporating a €50 million cross currency swap into the facilities. CEREIT’s ESG ambitions are in line with those of lenders and debt capital market investors all of who support the Manager’s initiatives. Automating property-level data collection for utility bills, GHG emissions, energy usage, water consumption and waste management is a key step in supporting asset planning, target setting and milestone reporting. Asset management teams are set to complete the on-line connection of data from CEREIT’s 110+ assets in all 10
investment countries to Deepki (an ESG data automation tool) by June 2023. Along with independent reviews of the energy performance of each asset, this should enable the consumption and emissions analysis to be completed by the end of 2023. We should then be in a good position to set meaningful emissions reduction plans and targets and report against these milestones over the coming years. In 2021 we gathered energy consumption data for 91% of CEREIT’s portfolio, up 28.5% from 2019. Tenant engagement and data collection is also in place for Australian assets under management and reported in our FY22 data pack ("Building Performance" - "Fund and Asset Management").

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Cromwell, and the property industry more broadly, has an important role in encouraging sustainable change throughout our communities and value chains. Mutually beneficial relationships can increase access to knowledge, expertise, and resources - and help improve our communities. Cromwell maintains a leadership position on industry committees and events. Cromwell sits on various PCA sub-committees, including the National Sustainability Roundtable. We are also involved with relevant industry bodies in both Australia and Europe. Cromwell contributes to the real estate and funds management industry in which it operates. This includes active corporate participation in industry associations. The key industry organisations of which it is a supporting member are:

• GBCA (Green Building Council Australia)
• INREV (European Association for Investors in Non-Listed Real Estate Vehicles)
• ANREV (Asian Association for Investors in Non-Listed Real Estate Vehicles Limited)

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Waste reduction and material circularity

Description of this climate related requirement

Every owned or managed property in our portfolio has a capital expenditure plan that is updated annually to address plant, equipment, building fabric, refurbishments and energy and water efficiency improvements. One example of considering our environmental impact is in tenant fit-outs within our properties. We work with contractors to see if the existing fit-out can be reused or recycled, and items are documented to enable responsible waste management. Upgrading existing fit-out means less waste and uses less new resources. In FY23, we will be considering the end-of-life management of materials before they come onto our sites. While this only represents a small number of our suppliers by procurement spend, it ...

% suppliers by procurement spend that have to comply with this climate-related requirement

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement

Certification

On-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues
Row 1	Yes

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder

Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?

Percentage of voting disclosed across portfolio

100

Climate-related issues supported in shareholder resolutions

Climate transition plans

Climate-related disclosures

Emissions reduction targets

Do you publicly disclose the rationale behind your voting on climate-related issues?

Yes, for all

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Cromwell_Property_Group_ESG-Policy.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Cromwell acknowledges that disclosure improves the understanding of our key stakeholders to the material physical and transitional risks associated with climate change across our assets and our wider business operations.

To achieve Cromwell's objectives relating to climate change, Cromwell will:

• Implement a robust risk management framework to support Cromwell's activities. This will include taking into consideration different climate related scenarios, including testing the resilience of the organisation against the impacts likely to occur from a 2oC rise in global temperatures

• Engage with stakeholders likely to be impacted by the identified social and environmental change shocks and stressors

• Remain open to continuous improvement.

Demonstrating our commitment

a) Cromwell will demonstrate commitment to implementing our ESG Strategy using a principles based approach by committing to and promoting across our business:
• Leading by example and collaborating with our business partners and stakeholders to understand and promote sustainable business practices
The Cromwell Board has delegated authority for ESG topics to the Chief Executive Officer (CEO) who will ensure that appropriate arrangements and resourcing are in place for:
• oversight of Cromwell's ESG Strategy
• implementing and observing the policy positions in this Policy
• reporting on ESG and sustainability-related matters.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify
Property Council of Australia

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Our position aligns with the PCA's stated position: "The success of Australia's property industry, both now and in the future, depends upon its ability to operate in line with investor and community expectations on environmental, social and governance (ESG) performance. Australian property companies' sustainability credentials are recognised as globally leading, and the industry's expertise and leading practice is well known

around the world.

Our members have a long-term stake in ensuring our capital and regional cities thrive and want to see decisive action on climate mitigation and adaptation to avoid the worst projected impacts of climate change. Within Australia's business community, the property industry is a leader in the race to drastically reduce emissions with many of our members committed to ambitious goals to reach net zero emissions by 2030 or sooner. Our industry is also leading the charge on megatrends like electrification and phasing out fossil fuel use in buildings, tackling embodied carbon and working towards nature positive strategies to improve biodiversity outcomes." (https://www.propertycouncil.com.au/advocacy/our-industry/environmental-social-and-governance)

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

138,073

Describe the aim of your organization's funding

Cromwell, and the property industry more broadly, have an important role in encouraging sustainable change throughout our communities and value chains. Mutually beneficial relationships through industry groups can increase access to knowledge, expertise and resources - and help improve our communities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

CMW-2022-Annual-Report.pdf

Page/Section reference

pp 28-29

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment

Cromwell is a supporter of the Task Force on Climate-related Financial Disclosure (TCFD) recommendations and recognises the potential risks and opportunities arising from climate change and a transition to a low-carbon economy. The TCFD recommendations provide a consistent reporting framework to enable financiers, investors, insurers and other stakeholders to understand an organisation's material climate related risks and the financial implications and the approach undertaken to manage them. Cromwell provides detailed annual updates on its approach to climate change governance, strategy, risk management and metrics and targets in its reporting. Together, Cromwell's CDP submission, Sustainability Report and relevant statements regarding the Sustainable Finance Disclosure Regulations cover the four core elements and 11 disclosures of the TCFD recommendations. They are available on Cromwell's website at www.cromwellpropertygroup.com/sustainability. A summary of these details that follows the TCFD disclosure recommendations representing core elements of the organisation's operation and Cromwell's response is described in our Annual Report.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

esgreport_2022_final.pdf

Page/Section reference

Throughout, pages 1-26

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

This report covers Cromwell Property Group's environmental, social, and governance (ESG) performance for the year ending 30 June 2022 (FY22). All data and figures quoted in this Report and the associated Data Pack are as at 30 June 2022, unless stated otherwise. It has been prepared in accordance with the GRI Standards framework, further details about which are available at www.globalreporting.org. The GRI content index; SASB index; as well as all associated data can be found in the accompanying data pack, available at www.cromwellpropertygroup.com/sustainability/reports. The data pack also describes the reporting boundaries we have used. ESG disclosures, policies, and previous reports are also available for download from the Group website. The 2022 TCFD Statement can be found in the 2022 Annual Report.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

FY22-Data-Pack.xlsx

Page/Section reference

Tabs "Building Attributes" and "Asset Performance"

Content elements

Emissions figures

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Cereit-2022-sustainability-report.pdf

Page/Section reference

pp 40-51, "Environment", relevant to Cromwell's investment in CEREIT

Content elements

Governance

Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Principle for Responsible Investment (PRI) Science-Based Targets Initiative for Financial Institutions (SBTi-FI)	We have publicly committed to become and maintain signatory membership to the UN PRI and achieve a 5 star rating from UN PRI. We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

3,740,000,000

Percentage of portfolio value comprised of carbon-related assets in reporting year

100

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD. Asset value as reported in our 2022 Annual Report.

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD.

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD.

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD.

Investing in coal (Asset owner)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD.

Investing in oil and gas (Asset owner)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Details of calculation

Cromwell invests only in real estate, ie Materials and Buildings carbon-related assets, as per the TCFD.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric
Investing (Asset manager)	Yes	Portfolio emissions
Investing (Asset owner)	Yes	Portfolio emissions

C-FS14.1a

(C-FS14.1a) Provide details of your organization's portfolio emissions in the reporting year.

Investing (Asset manager)

Portfolio emissions (metric unit tons CO2e) in the reporting year

78,219.88

Portfolio coverage

60.6

Percentage calculated using data obtained from clients/investees

87

Emissions calculation methodology

Other, please specify

GHG Protocol

Please explain the details and assumptions used in your calculation

Data as reported in the FY22 Data Pack for Funds and Asset Management, under the "Asset Performance" tab. Available at https://www.cromwellpropertygroup.com/__data/assets/excel_doc/0024/44628/FY22-Data-Pack.xlsx. CEREIT data included (for managed assets) from their 2022 Sustainability Report, available at https://www.cromwelleuropeanreit.com.sg/__data/assets/pdf_file/0018/45306/Cereit-2022-sustainability-report.pdf As reported in our 2022 Annual Report, total fund and asset management value represented $7.8 billion (p 11). We have reported data for Australian properties and CEREIT, which represent 60.6% of the total fund and asset management portfolio. CEREIT are the only investee that provide data as all other data comes from tenants and on-site monitoring.

Investing (Asset owner)

Portfolio emissions (metric unit tons CO2e) in the reporting year

62,658.74

Portfolio coverage

100

Percentage calculated using data obtained from clients/investees

100

Emissions calculation methodology

Other, please specify

GHG Protocol

Please explain the details and assumptions used in your calculation

Cromwell's investment portfolio consists of 13 Australian office assets. Cromwell's co-investments included Cromwell Polish Retail Fund and the Cromwell Italy Urban Logistics Fund. All of these properties were included in data reported in our FY22 Data pack under the "Asset Performance" tab. Available at https://www.cromwellpropertygroup.com/__data/assets/excel_doc/0024/44628/FY22-Data-Pack.xlsx and above,. While Cromwell has a 28% equity stake in CEREIT, this has been included in assets managed. All data comes from tenant-customers, or on-site monitoring.

C-FS14.1c

(C-FS14.1c) Disclose or restate your portfolio emissions for previous years.

Past year 1 for Investing (Asset manager)

Start date

July 1, 2020

End date

June 30, 2021

Portfolio emissions (metric unit tons CO2e) in the reporting year

4,936.05

Portfolio coverage

72

Percentage calculated using data obtained from clients/investees

0

Emissions calculation methodology

Other, please specify

Australian National Greenhouse Account Factors

Please explain the details and assumptions used in your calculation

Scope 1 and 2 emissions as reported in our FY21 Data Pack, available online. AU Asset Performance - Cromwell Direct Property Fund, Cromwell property Trust 12, Cromwell Riverpark Trust, Cromwell Ipswich City Heart Trust. Those assets within operational control comprise 72% of lettable area (see AU Building Attributes and EU Building Attributes tabs). Total Scope 1 and 2 emissions = 4,936.05 t CO2e. All data comes from tenants and on-site monitoring, rather than clients/investees. This was our first year of reporting portfolio emissions.

Past year 1 for Investing (Asset owner)

Start date

July 1, 2020

End date

June 30, 2021

Portfolio emissions (metric unit tons CO2e) in the reporting year

19,883.51

Portfolio coverage

81.8

Percentage calculated using data obtained from clients/investees

100

Emissions calculation methodology

Other, please specify

Australian National Greenhouse Account Factors

Please explain the details and assumptions used in your calculation

Scope 1 and 2 emissions as reported in our FY21 Data Pack, available online. AU Asset Performance - Cromwell Diversified Property Trust (14 assets within operational control, excluding six assets for non-operational control); Cromwell Direct Property Fund and EU Asset Performance - Cromwell Polish Retail Fund. Those assets within operational control comprise 81.8% of lettable area (see AU Building Attributes and EU Building Attributes tabs). Total Scope 1 and 2 emissions = 19,883.51 t CO2e. All data comes from tenants and on-site monitoring, rather than clients/investees. This was our first year of reporting portfolio emissions.

Past year 2 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 2 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 3 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 3 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 4 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 4 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

	Portfolio breakdown
Row 1	Yes, by country/area/region Yes, by scope

C-FS14.2c

(C-FS14.2c) Break down your organization's portfolio impact by country/area/region.

Portfolio	Country/area/region	Portfolio metric	Portfolio emissions or alternative metric
Investing (Asset owner)	Australia	Absolute portfolio emissions (tCO2e)	23,860
Investing (Asset owner)	Poland	Absolute portfolio emissions (tCO2e)	38,798
Investing (Asset manager)	Australia	Absolute portfolio emissions (tCO2e)	17,040
Investing (Asset manager)	Europe	Absolute portfolio emissions (tCO2e)	61,180.2

C-FS14.2d

(C-FS14.2d) Break down your organization's portfolio impact by scope.

Portfolio	Clients'/investees' scope	Portfolio emissions (metric tons CO2e)
Investing (Asset owner)	Scope 1	2,629.18
Investing (Asset owner)	Scope 2 (location-based)	16,190.96

Investing (Asset owner)	Scope 3	43,838.6
Investing (Asset manager)	Scope 1	7,608.39
Investing (Asset manager)	Scope 2 (location-based)	48,070.13
Investing (Asset manager)	Scope 3	22,541.36

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world
Investing (Asset manager)	Yes	Across the business, FY22 was a year of transition. Among the major changes to our corporate strategy and our values, we also refreshed our approach to ESG and our ambitions. We extensively engaged our stakeholders to ensure that we continue to deliver results against our targets in our previous Sustainability Framework, while also realigning our focus to a set of new targets in our formalised ESG Strategy. In FY23, we are now busy undertaking foundational work to set new baselines for our targets, build a firm understanding of our current state and prepare for the road ahead. We intend to deliver resilient, revitalised and sustainable asset portfolios that generate value and meet investor and other stakeholder expectations. We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. As a funds manager, a significant proportion of our emissions are Scope 3. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions
Investing (Asset owner)	Yes	Across the business, FY22 was a year of transition. Among the major changes to our corporate strategy and our values, we also refreshed our approach to ESG and our ambitions. We extensively engaged our stakeholders to ensure that we continue to deliver results against our targets in our previous Sustainability Framework, while also realigning our focus to a set of new targets in our formalised ESG Strategy. In FY23, we are now busy undertaking foundational work to set new baselines for our targets, build a firm understanding of our current state and prepare

		for the road ahead. We intend to deliver resilient, revitalised and sustainable asset portfolios that generate value and meet investor and other stakeholder expectations. We are currently developing our Net Zero Strategy with the support of external expertise and will be looking to commit to and realign these targets with verified Science Based Targets. We occupy a unique space within our industry, with a minimal development footprint, but a vast network of over 2,300 tenants across the globe. Our net zero targets are therefore designed to reflect beyond our operational control into our sphere of influence, encouraging those in our broader value chain to join us on our journey toward net zero emissions

C-FS14.3a

(C-FS14.3a) Does your organization assess if your clients/investees' business strategies are aligned with a 1.5°C world?

	Assessment of alignment of clients/investees' strategies with a 1.5°C world	Please explain why you are not assessing if your clients/investees' business strategies are aligned with a 1.5°C world
Investing (Asset manager)	Yes, for some	Fund and asset management is one of the principal activities of Cromwell Property Group. Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results. This includes property assets in Australia where Cromwell is both Fund and Asset Manager. Operational control, where adoption of our Sustainability Framework and climate change policy occurs, varies based on the individual asset and established lease agreements. For some of our European Funds Under Management, Cromwell's property services may be limited by funds that have pre-established mandates that do not support direct management of sustainability performance. Some tenant-customers hold a lease with full management control over the entire premises and Cromwell is unable to directly set policy or implement change. Cromwell European Real Estate Investment Trust (CEREIT) is managed by a subsidiary of Cromwell, Cromwell EREIT Management Pte. Ltd., which operates within the listing rules imposed by the Singapore Stock Exchange. CEREIT has its own independent Board and prepares separate financial and sustainability reports. As such, Cromwell is

		considered able to exert significant influence, but not control, over the entity. Disclosure and adoption of our Sustainability Framework and climate change policy at the group level does not include other operational businesses where Cromwell does not have a majority ownership of > 51% and/or does not have operational control (Phoenix Portfolios, LDK Healthcare, Oyster Property Group).
Investing (Asset owner)	Yes, for some	Cromwell's property investments comprise direct interests in [31] balance sheet assets and a number of indirect property related investments. Our sustainability and climate change policies apply to direct investments where we have operational control, ie setting operational standards for the property services and performance as well as for setting and delivering capital works and investment strategies to reduce energy and improve the asset. Operational control, where adoption of our Sustainability Framework and climate change policy occurs, varies. Across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. In these assets, as Manager, Cromwell is unable to directly set policy or implement change. Cromwell's 'Invest to Manage' Strategy includes the purchasing of assets for the purpose of realising value and repositioning opportunities. For some existing assets, opportunities for adding value and repositioning may form part of the strategic asset management plan. Property assets deemed to be 'in transition' are not included in performance data.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight

Row 1	Yes, both board-level oversight and executive management-level responsibility	Cromwell's ESG Policy defines our approach to managing biodiversity issues within our Organisation and Real Estate Assets. The Policy applies to, but is not limited to, all Cromwell employees who engage in: • Managing real estate assets • Acquisition, development or construction of real estate The policy applies to all real estate that is directly and indirectly owned and/or managed by Cromwell, and the associated business processes. Biodiversity encompasses all living things and, importantly, the functions and processes that link and sustain them. Cromwell is mindful of the effect that its business can have, and acknowledges that through our activities as a property owner, manager and developer, we can positively contribute to protecting and enhancing biodiversity. Cromwell is committed to best business practice for the management of real estate property. Our aim is to deliver a net positive impact on biodiversity through integrating biodiversity management with our organisational strategy. The principles that govern the proper assessment of biodiversity status, opportunities and risks include: • Proper identification and assessment of the biodiversity factors that impact on (or are impacted by) our real estate assets and related business operations • Acknowledging the science associated with climate change • A commitment to respond, monitor, learn and anticipate • A commitment to a process of continual improvement • A commitment to not engage in exploration, drilling or mining in World Heritage and IUCN Category I-IV protected areas • Remaining functional and with commercial benefits to Cromwell's' shareholders and tenants whilst giving due consideration to environmental, social and sustainable issues. • Accountability to ethical and fair dealing • Apply 'value for money' principle in decision making • Maintain a high level of probity and transparency • Actively manage risk. The Head of ESG is responsible for ensuring the policy is properly implemented and	Risks and opportunities to our own operations Risks and opportunities to our investment activities The impact of our own operations on biodiversity The impact of our investing activities on biodiversity

		observed. The Head of ESG (or delegate) will review the biodiversity practices periodically and recommend steps to the Group Sustainability Committee to ensure appropriate procedures are maintained. The Head of ESG will report directly to the CEO and the ESG, Risk and Safety Committee, who in turn monitor and oversee progress against the goals and targets for addressing and improving biodiversity-related issues.	

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to not explore or develop in legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Other, please specify ESG Policy	SDG

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management Education & awareness Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Governance Impacts on biodiversity Details on biodiversity indicators Biodiversity strategy	p 6 Our ESG Approach - Environmental (water), p 21 Environmental management 1
In voluntary sustainability report or other voluntary communications	Details on biodiversity indicators	"Building performance" and "GRI" tabs (references SDGs also) 2
Other, please specify ESG Policy	Content of biodiversity-related policies or commitments Governance	p 8 Water conservation, p 9 Biodiversity 3

[1]esgreport_2022_final.pdf

[2]FY22-Data-Pack.xlsx

[3]Cromwell_Property_Group_ESG-Policy.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Head of ESG	Chief Sustainability Officer (CSO)

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area
Forests	Yes

FW-FS1.1a

(FW-FS1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for forests- and/or water-related issues.

Issue area(s)	Position of individual(s) or committee(s)	Responsibilities for forests- and/or water-related issues
	Board-level committee	

FW-FS1.1b

(FW-FS1.1b) Provide further details on the board's oversight of forests- and/or water-related issues.

Issue area(s)

Forests

Frequency with which the issue area(s) is a scheduled agenda item

Sporadic - as important matters arise

Governance mechanisms into which this issue area(s) is integrated

Scope of board-level oversight

Please explain

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area

Yes

Criteria used to assess competence of board member(s) on this issue area

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

Position or committee

Chief Executive Officer (CEO)

Issue area(s)

Forests- and/or water-related responsibilities of this position

Reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line

Please explain

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area
Investing (Asset owner) – Forests exposure	Yes

FW-FS2.1a

(FW-FS2.1a) Describe how you assess your portfolio's exposure to forests- and/or water-related risks and opportunities.

Investing (Asset owner) – Forests exposure

Type of risk management process

Integrated into multi-disciplinary company-wide risk management process

Proportion of portfolio covered by risk management process

100

Type of assessment

Qualitative and quantitative

Time horizon(s) covered

Short-term
Medium-term
Long-term

Tools and methods used

% of clients/investees (by number) exposed to substantive risk

0

% of clients/investees (by portfolio exposure) exposed to substantive risk

0

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information
Investing (Asset owner) – Forests-related information	Yes

FW-FS2.2a

(FW-FS2.2a) Indicate the forests- and/or water-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision making.

	Type of information considered	Process through which information is obtained	Industry sector(s) covered by due diligence and/or risk assessment process	State how these forests- and/or water-related information influences your decision making
Investing (Asset owner) – Forests-related information				

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Risks exist, but none with the potential to have a substantive financial or strategic impact on business	

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area

Forests	No	Opportunities exist, but none with the potential to have a substantive financial or strategic impact on business	

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

Yes, we take these risks and opportunities into consideration in the organization's strategy and financial planning

Description of influence on organization's strategy including own commitments

Financial planning elements that have been influenced

Revenues
Indirect costs
Capital allocation
Assets

Description of influence on financial planning

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area

No, we have not conducted any scenario analysis to identify outcomes for this issue area, but we plan to in the next two years

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	No, but we plan to set targets within the next two years	

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity
Forests	Yes

FW-FS3.4a

(FW-FS3.4a) Provide details of your existing products and services that enable clients to mitigate deforestation and/or water insecurity.

Product type

Real estate/Property

Taxonomy or methodology used to classify product(s)
Externally classified using other taxonomy or methodology, please specify

Product enables clients to mitigate

Description of product(s)

Type of activity financed, invested in or insured

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area
Forests	Yes

FW-FS3.5a

(FW-FS3.5a) Provide details of the policies which include forests- and/or water-related requirements that clients/investees need to meet.

Portfolio

Investing (Asset owner)

Issue area(s) the policy covers

Type of policy

Portfolio coverage of policy

Policy availability

Attach documents relevant to your policy

Requirements for clients/investees

Value chain stages of client/investee covered by criteria

Timeframe for compliance with policy criteria

Industry sectors covered by the policy

Forest risk commodities covered by the policy

Commodities with critical impact on water security covered by the policy

Forest risk commodity supply chain stage covered by the policy

Exceptions to policy based on

Explain how criteria coverage and/or exceptions have been determined

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area
Investees – Forests	Yes

FW-FS4.1b

(FW-FS4.1b) Give details of your forests- and/or water-related engagement strategy with your investees.

Issue area this engagement relates to

Type of engagement

Education/information sharing

Details of engagement

Investing (asset manager) portfolio coverage of engagement

Investing (asset owner) portfolio coverage of engagement

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	No, and we do not plan to in the next two years	

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact this issue area

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact
Investing (Asset owner) – Impact on Forests	Yes	

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity
Investing (asset owner) to companies operating in the timber products supply chain	No
Investing (asset owner) to companies operating in the palm oil products supply chain	No
Investing (asset owner) to companies operating in the cattle products supply chain	No
Investing (asset owner) to companies operating in the soy supply chain	No
Investing (asset owner) to companies operating in the rubber supply chain	No
Investing (asset owner) to companies operating in the cocoa supply chain	No

Investing (asset owner) to companies operating in the coffee supply chain	No

FW-FS5.3

(FW-FS5.3) Indicate whether you measure the percentage of clients/investees compliant with your forests- and/or water-related requirements stated in question FW-FS3.5, and provide details.

Portfolio

Investing (Asset owner)

Issue area(s) the requirements cover

Measurement of proportion of clients/investees compliant with forests- or water-related requirements

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options		Public

Please confirm below