

N E X T

INSIDE DEXUS'S SUSTAINABILITY JOURNEY



Tidal Marks 1 by Marilyn Wallace-Mitchell

NEXT aims to bring you a range of ideas and perspectives.

In this Q and A we talk to Sarah Breavington - General Manager, Social, Customer & Funds Sustainability at leading listed real assets company Dexus - to learn about her journey to her current role, Dexus's sustainability plans and learnings and what success means.

Can you tell us a bit about your background?

I am the General Manager - Social, Customer and Funds Sustainability at Dexus, responsible for setting the Dexus approach to social sustainability and how we embed sustainability across our funds and customer offerings. Previously I managed City of Sydney's Social Sustainability Strategy, I have worked across a range ASX and FTSE 100 businesses, driving and delivering sustainability strategies.

I love being challenged and creating impact. Sustainability puts you right in the heart of a business, working with a range of stakeholders, with complex problems that are often challenging to solve, but when you do, the impacts are real and tangible.

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What are the main objectives of sustainability at Dexus?

Dexus was an early adopter of integrating environmental, social, and governance (ESG) principles. Since this time, Dexus grew its commitment to achieving and maintaining net zero (across scope 1 and 2 (and operational scope 3)) emissions across its managed portfolio. Dexus was recently recognised for sustainable leadership as one of only two ASX-listed companies that met all Climatework's principals for credible net zero targets and actions.

At Dexus, we focus on three areas where we can create value and impact – they are customer prosperity, climate action and enhancing communities. At the same time acknowledging the foundations we need to continue to deliver on our priorities and to meet stakeholder expectations such as, Indigenous Engagement, Human Rights and governance and Reporting.

What are the key ingredients for achieving your goals?

A clear aspiration and strategy is essential. Without this, it's like having all the "ingredients" without the recipe – you just aren't quite sure what you're aiming to bake!

As we developed our new sustainability strategy, we identified a number of ingredients – or what we call enablers. Effective communication ensures our customers, suppliers and investors understand our sustainability offerings and creates collaboration opportunities.

KWM is a great example. We work directly with the firm, who is a customer and a supplier, to identify synergies in the work we do to create greater value for both organisations. We meet quarterly to discuss how we can support you as a tenant in our buildings, but also there have been opportunities for us to share and influence each other's activities. For instance, trialling new fit out solutions and initiatives that can then be delivered within the wider building community, or sharing each other's journeys to promote connection with our First Nations people and communities.

We also engage our employees to build and support their knowledge and understanding, through an internal resource called the Dexus Sustainability Academy. The Academy is a resource that enables employees to find out more about the strategy, and access specific training or learning opportunities focused on their role and sector.

The final one is delivery – a consistent approach is key. We embed sustainability in everything we do, from how we make investment decisions through to how we manage assets and collect and share knowledge and outcomes. Detailed roadmaps inform targets, metrics and timelines for delivering our overall sustainability strategy. They then inform sector strategies, which feed into fund investment plans and asset plans. It is also a component of our Group scorecard ensuring ownership and accountability of people across the business and improved performance.

What have you learned during this process?

My biggest learning has been the importance of continuous improvement and being ok with something not being perfect for it to be successful. We developed our Sustainability Academy quickly with the idea of testing what works and what might do differently. We are seeking feedback and phase two will look at how we adapt and refine the content to meet our peoples' learning styles and needs. Prioritising customer prosperity, climate action and enhancing communities and clearly articulating these, enables our employees to understand their role and concentrate their resources and efforts where they can have the most impact. It means all employees understand it is a part of their role, not an "add on" or a "nice thing to do".

Who is driving this agenda?

Our executive leadership team and board of directors have been instrumental in ensuring sustainability remains core to doing business at Dexus. They determine strategic direction and provide oversight of our governance processes for sustainability.

Then there's the sustainability team. As the subject matter experts, we are providing the strategic direction, tools and templates to embed sustainability, drive change, be innovative and lead within the industry.

At Dexus, we're all accountable for delivering our sustainability agenda. Without passionate advocates across the business, my job would be incredibly hard, and that is why it so important to create a culture of sustainability.

What does success look like?



Success is focused on our priorities and the outcomes we are seeking to achieve:

In Customer Prosperity this means improved customer satisfaction and enhanced wellbeing of individuals and communities who visit and use our assets. Our success will be our customers being able to achieve their sustainability objectives through our active engagement.

In Climate Action, success will see improved energy and resource efficiency alongside reduced operating costs for our customers. It will be having a clear strategic decarbonisation approach alongside the increased resilience of assets across the platform.

Lastly, for Enhancing Communities we will improve the quality of life for communities living in and around our assets through enhanced connection, inclusion and improved access to places and experiences.

What are you keeping your eyes on?

Mandatory reporting requirements are going to have a big impact over the next few years. It is already impacting how we engage with customers like KWM to meet our reporting requirements especially regarding scope 3 emissions. We have thousands of customers and investors who will need to report their emissions too. Our role is evolving, not just seen in terms of how we can make a building more efficient for our customers, but also a more productive space, and what data and services can we provide to support sustainable outcomes. This trend is only going to grow and it's going to be interesting to see how this influences how we work with our customers, but also how we procure or partner with organisations to meet aligned sustainability outcomes.



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