



LEA 02	Disclosures Monetary	Reason Gateway	Principle PRI 1,2,3
<p><b>Type of engagement</b> Individual/ internal staff engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input checked="" type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>	
<p><b>Type of engagement</b> Collaborative engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>	
<p><b>Type of engagement</b> Service provider engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service providers</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or</li> <li><input type="checkbox"/> To engage investor ESG activities</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service providers</li> </ul>	

# RI TRANSPARENCY REPORT

## 2014/15

Eureka Funds Management

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public							✓
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	-	n/a							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	-	n/a	✓						✓
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓						✓
PR 06	Fund placement documents and RI	✓	Public	✓			✓			✓
PR 07	Formal commitments to RI	✓	Private				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	🔒	n/a		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	🔒	n/a		✓					
PR 20	Proportion of assets engaged with on community issues	-	n/a		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	-	n/a	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓

# Eureka Funds Management

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

OO 02.1 Select the location of your organisation's headquarters.

Australia

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

40

OO 03	Mandatory	Descriptive	General
-------	-----------	-------------	---------

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

OO 04	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2014

**OO 04.2** Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		3	865	000	000
Currency	AUD				
Assets in USD		3	591	747	131

**OO 04.5** Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06**

**Mandatory**

**Descriptive**

**General**

**OO 06.1** To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	0	0
Property	>50%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0



Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

### Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
-------	-----------	---------	---------

OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Property
- None of the above

OO 11.3

Additional information. [Optional]

Since Eureka was established, the Board and ESG Committee have taken an active role in formulating policies and strategies around ESG and RI to enable the Group to make informed investment decisions which are always in the best interests of Unitholders, and which have the ability to protect the long term value of their investments. During 2014 this approach continued and was a particularly important element in the acquisition process for new investments. Eureka's philosophy around active ownership is apparent throughout our ownership of each asset, where we incorporate ESG and RI considerations at both the acquisition stage and hold period of the investment. This allows us to make informed, and responsible, investment decisions with the objective of generating the strongest risk-adjusted total return for Unitholders.

OO 12	Mandatory	Gateway	General
-------	-----------	---------	---------

OO 12.1

The modules and sections that you will be required to complete are listed below.

*This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.*

#### Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

Direct - Other asset classes with dedicated modules
---

- Property

**Closing module**

- Closing module

<b>OO 12.2</b>	Additional information. [Optional]
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ESG and RI is driven by Eureka's ESG Committee which, in its ninth year, continues to shape and drive the thinking around ESG and RI across the business. The ESG Committee formulates the sustainability agenda for the group, and works closely with the Compliance Team to formulate policies/procedures across the E, S, and G aspects. Eureka recognises the importance of their function in the broader investment thesis and, accordingly, the ESG Committee forms a critical part of Eureka's investment decision making platform to identify, quantify, evaluate and manage the risks of real estate investment.

# Eureka Funds Management

## Reported Information

## Public version

## Overarching Approach

## PRI disclaimer

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1	Indicate if you have a responsible investment policy.
---------	---

- Yes  
 No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- Yes  
 No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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Eureka's ESG Committee has prepared a ESG Committee Charter (and Policy) which lays the foundation for the group's sustainability and ESG agenda and is a critical part of Eureka's investment decision making platform to identify, quantify, evaluate and manage the risks of real estate investment. This Charter is a broader scoping document for the Eureka Group's approach to ESG and RI, and is currently being reviewed and updated to ensure it remains relevant in the current investment environment and to ensure best practice.

OA 02	Mandatory	Core Assessed	PRI 6
-------	-----------	---------------	-------

OA 02.1	Indicate if your responsible investment policy is publicly available.
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- Yes  
 No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
---------	---

- Yes  
 No

OA 02.5	Additional information. [Optional]
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In earlier years, Eureka published its 'Annual Sustainability Report' online via the website. However we have chosen not to do so in the past few years. Instead, Eureka typically selects topical case studies, its public policy involvement, tailored reporting items and other research papers on an ad hoc basis and makes these publicly available (as needed).

OA 03	Mandatory	Core Assessed	PRI 1,2
-------	-----------	---------------	---------

OA 03.1

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2

Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

Eureka's ESG Charter covers the majority of issues from an ESG and RI perspective, and aims to set a solid strategic direction for the Eureka business, and its Funds, towards responsible and sustainable property investment.

OA 04

Mandatory

Core Assessed

General

OA 04.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Eureka was founded on a strong platform of alignment, transparency and good governance; as such true management of conflicts of interest lies at the heart of Eureka's founding philosophies. Eureka has an integrated risk management and compliance framework in place to ensure that apparent, potential and actual conflicts of interest are able to be identified, assessed and evaluated by staff including during the investment process. Eureka's Conflicts of Interest policy describes the mechanisms through which actual and potential conflicts throughout the business are identified, evaluated and managed; and outlines the procedures through which conflicts identified are controlled, disclosed or avoided. During the investment process Eureka considers whether potential conflicts of interest arises from the new business activity and evaluates the likelihood of occurrence and the required management procedures based on that risk analysis.

No

## Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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**OA 05.1** Indicate if your organisation sets objectives for its responsible investment activities.

Yes

**OA 05.2** Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

**OA 05.3** Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
  - Biannually
  - Annually
  - Every two years or less
  - It is not reviewed
- No

## Governance and human resources

OA 08	Mandatory	Gateway/Core Assessed	General
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**OA 08.1** Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

## Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
- Other role, specify
  - ESG Committee**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
  - Other role, specify

## Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

### Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.  
[Optional]

Eureka has been a member of the IGCC for over 6 years having an advanced role in the strategic direction of the IGCC's activities. One of Eureka's founding directors, Niall McCarthy, is the key representative from Eureka and has been a member of the IGCC's management committee for a number of years advocating ESG and Responsible Investment to investors and managers alike. For over several years now, Eureka continues as a member of the Policy Committee and the Low Carbon Financing Committee of the IGCC.

- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)



Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

OA 11

Mandatory

Core Assessed

PRI 4

OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

Eureka actively engages with its Unitholders on sustainability initiatives implemented across the assets and the benefits that can be achieved through RI and ESG

- No

# Eureka Funds Management

## Reported Information

### Public version

#### Direct - Property

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## Overview

PR 05	Mandatory	Core Assessed	PRI 1-6
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**PR 05.1** Indicate if your organisation has a Responsible Property Investment (RPI) policy.

- Yes
- No

**PR 05.3** Additional information. [Optional]

Eureka's responsible property investment (RPI) policy is in effect the ESG Policy. Eureka has not created a separate/unique RPI policy. For the purposes of this survey, the RPI and ESG policy of Eureka should be treated as one in the same.

## Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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**PR 06.1** Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- Yes

**PR 06.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in post-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases

PR 06.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

Reference to ESG considerations forms a major component of Eureka's existing, and most notably, new property funds. For example, our latest property fund has detailed sections surrounding ESG (pre and post investment) considerations in the Trust Deed. In this instance, Eureka has been mandated to acknowledge ESG considerations in all forms of investment decision making relating to the assets and fund more broadly.

- No
- Not applicable as our organisation does not fundraise

### Pre-investment (selection)

PR 08

Mandatory

Gateway

PRI 1

PR 08.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

- Yes

PR 08.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

Eureka recognises the importance of ESG considerations across all facets of funds management. Namely, going beyond the 'environmental' aspect of ESG is of particular importance as Eureka continues to place greater emphasis on social and governance considerations for all investment decisions.

During the asset acquisition process, ESG issues remain a key consideration of the Acquisition team and the Eureka Investment Committee. What drives this focus is recognition that, through active management of its assets, we can realise a greater return on investment through the implementation of a number of value-add strategies that will markedly improve the social and environmental performance of the property. Ultimately, these considerations need to be identified by the acquisition team from early in the due diligence (DD) process. Identifying opportunities and also risks are accordingly a key objective of the acquisition and DD team.

Once a detailed asset due diligence process has been completed, which typically includes an acquisition sustainability checklist, the findings and investment proposition is tabled at the Eureka Investment Committee (by the acquisition team) for discussion and approval. Any notable ESG risks and/or opportunities are discussed as necessary at this forum. Should any of these risks be assessed as a material investment risk, the transaction may no longer proceed.

Financial modelling conducted during the asset acquisition phase provides insight to Eureka's approach to ESG, in particular environmental considerations. Eureka conducts a detailed energy and environmental assessment of the potential investment to assist with forecast capital expenditure requirements. Here, we allow for an adequate future capital expenditure programme for each asset to implement sustainability initiatives and energy efficiency projects which will improve the building's efficiencies, lower energy consumption and increase its NABERS Energy and Water ratings.

From a governance perspective, there are three over-arching governance issues that Eureka considers when making investment decisions:

1. Perceived, potential and actual conflicts of interest; such that the company will not have competing investment mandates actively investing in the same asset classes.
2. The alignment to our high standard of transparency, corporate governance and environmental / social responsibility from investment partners or co-owners
3. Adequacy of EFMLs systems of oversight, management and control of business risks; including operational, strategic, financial, legal and regulatory compliance, governance, reputational, employee relations, environmental and social risks.

No

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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**ESG issues**

Environmental

List up to three typical examples of environmental issues
---

Damage to assets, operations or desirability of assets/business due to physical climate impacts

Costs associated with energy use and carbon emissions

The certified environmental credentials of the asset e.g. NABERS, Green Star; and the ability to improve where relevant

Social

List up to three typical examples of social issues
--

Preservation of cultural heritage (eg. architectural)

Safety at the asset for employees, contractors, tenants, customers and other visitors

Local community support if contemplating new developments

Governance

List up to three typical examples of governance issues
--

Perceived, potential and actual conflicts of interest

Adequacy of EFMLs systems of oversight, management and control of business risks; including operational, strategic, financial, legal and regulatory compliance, governance and reputational

The alignment to our high standard of transparency, corporate governance and environmental / social responsibility from investment partners or co-owners

**Selection, appointment and monitoring third-party property managers**

PR 13	Mandatory	Core Assessed	PRI 4
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PR 13.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
---------	--

Yes

**PR 13.2**

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- Selection process of property managers incorporated ESG issues
  - For all third party property managers
  - For a majority of property managers
  - For a minority of property managers
- Contractual requirements when appointing property managers includes ESG issues
- Monitoring of property managers covers ESG responsibilities and implementation
  - For all third party property managers
  - For a majority of property managers
  - For a minority of property managers

**PR 13.3**

Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]

The appointment of new property managers has, to date, not been a regular occurrence during the recent reporting period as Eureka has had limited acquisition activity. However typically when Eureka does evaluate which property manager to appoint, it needs to get comfortable around the ESG and sustainability capabilities of that third party property manager. For instance, Eureka would ask the prospective property management company to demonstrate their track record in this space and the approach taken towards improving the environmental performance/credentials of assets they previously managed (or currently manage).

**PR 13.4**

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

Typically, third party property managers contribute to the management of ESG issues by involving their building services manager (and/or building engineer) in detailed discussions with the Eureka asset manager. These discussions would generally be held in forums such as monthly property management meeting as they provide an open forum to discuss opportunities to implement sustainability initiatives and identify other ways to drive the building's environmental performance. The building engineer alongside the Eureka asset manager can share ideas in a collaborative way. The property manager and engineer can put forward recommendations and suggestions based on their experience with other assets they have previously managed.

No

## Post-investment (monitoring and active ownership)

### Overview

**PR 14**

**Mandatory**

**Gateway**

**PRI 2**

**PR 14.1**

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

Yes

<b>PR 14.2</b>	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
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- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and refurbishments
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

Eureka believes that consideration of ESG issues across acquisition, hold & divestment are of key importance in protecting the asset's value and interest of Unitholders

<b>PR 14.3</b>	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]
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Eureka's ESG Committee are the coordinating body within the Group who are tasked with creating a forum to discuss ESG opportunities across the portfolio. We recognise that consideration of ESG issues post acquisition is particularly valuable as asset teams are able to implement many of opportunities/initiatives identified during the DD process. This is mainly from an environmental perspective however.

Moreover, post acquisition, the asset team reviews the assumptions that the Acquisition Manager adopted when evaluating/assessing the acquisition. From there the team then looks to implement the energy efficiency, sustainability opportunities and initiatives identified during the DD/acquisition phase that improve the environmental performance of the asset.

With respect to awareness of social and governance issues, this is constantly improving, particularly over the past 12 months, where Eureka's asset managers have worked closely with the Eureka's compliance team. One of the key considerations from a 'social' context is surrounds safety and well-being in the workplace for tenants, employees, customers, guests, contractors and other visitors to our assets. Creating a well-defined workplace health& safety (WHS) platform and culture across Eureka's portfolio is a major strategic objective of the senior team.

In relation to governance post-investment, Eureka continues to focus on key issues such as oversight and management of conflicts of interest (including related party transactions), transparency in decision making, and operating in an ethical manner (eg. with regards to corruption& bribery, money-laundering, anti-trust, anti-competitive practices, confidentiality of information, political donations and whistle blowing) to support trust by stakeholders.

No

<b>Property monitoring and management</b>			
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<b>PR 15</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,3</b>
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<b>PR 15.1</b>	Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.
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- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

<b>PR 15.2</b>	Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
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**ESG issues**

Environmental

List up to three example targets per issue

NABERS Energy Rating and NABERS Water Rating

Depending on the asset, targets around a reduction in consumption of electricity, gas and water

NABERS Indoor Environment Quality (IEQ) rating (for select assets only)

Social

List up to three example targets per issue

WH& S Risk Factor scores and WH& S Compliance Factor scores

Governance

List up to three example targets per issue

An annual review, and introduction of new, policies & procedures across the Eureka business to strive towards best practice in the industry.

We do not set and/or monitor against targets

**Property developments and refurbishments**

<b>PR 17</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>PR 17.1</b>	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
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- >90% of active developments and refurbishments
- 51-90% of active developments and refurbishments
- 10-50% of active developments and refurbishments
- <10% of active developments and refurbishments
- N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)



<b>PR 17.2</b>	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.
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- Minimum environmental site selection requirements
- Minimum environmental site development requirements
- Sustainable construction materials
- Minimum water efficiency requirements
- Minimum energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Other, specify

## Communication

<b>PR 23</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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<b>PR 23.1</b>	Indicate if your organisation proactively discloses ESG information on your property investments.
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- Disclose publicly
- Disclose to clients/beneficiaries only

<b>PR 23.2</b>	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
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- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- Other property reporting standards, specify
- No property specific reporting standards are used

<b>PR 23.6</b>	Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.
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- ESG information on how you select property investments
- ESG information on how you monitor and manage property investments
- Information on your property investments' ESG performance
- Other, specify

<b>PR 23.7</b>	Indicate your organisation's typical frequency of disclosing ESG information to the your clients/beneficiaries.
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- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc, specify

**PR 23.8**

Describe the ESG information and how your organisation proactively discloses it to your clients/beneficiaries. [Optional]

As Eureka has several property funds and therefore several different Unitholders for each, we report our ESG performance in many different ways and, for some funds, such reporting occurs more frequently than for others.

For instance, we typically report to Unitholders on a formal basis at least quarterly but only disclose our ESG performance when anything notable has occurred during a quarter. For example, if a new NABERS Rating has been achieved or if we have commenced a significant sustainability or energy efficiency project at the asset. The new or updated ratings that have been achieved are compared to the NABERS target that we have set ourselves to deliver.

Accordingly, in some quarters there may be limited issues to report. On an annual basis however, reporting to Unitholders on the environmental performance of the assets is common, in particular for one of Eureka's co-mingled funds. This can include reduction in energy, gas and water consumption, NABERS ratings etc. Also, when relevant, any new legislation that has been introduced will be highlighted, and Eureka will describe how it will address such changes, and any impact it may have (if any), on the assets.

- No proactive disclosure to the public or to clients/beneficiaries