



LEA 02	Disclosures: Mandatory	Reason for interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in & company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in & company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in & company's internal ESG issues</p> <p><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in & company's internal ESG issues</p> <p><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>		

RI TRANSPARENCY REPORT

2014/15

Lend Lease

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	✓	Public							✓
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	✓	Private							✓
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	✓	Private							✓
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	✓	Private	✓						✓
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	🔒	n/a				✓			
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	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓

Lend Lease

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 01.2 Additional information. [Optional]

Lend Lease's Investment Management business manages approximately A\$17.4 billion in property assets across unlisted funds, joint ventures and separate mandates in Asia, Australia and Europe.

It invests on behalf of institutional investors including pension funds, sovereign wealth funds, investment managers and insurance companies, giving its investment partners access to quality property assets across the risk/return spectrum.

The investment management business has access to Lend Lease's in-house development, asset and property management, research, capital transactions, project management and construction skills. These end-to-end capabilities help it provide property investment opportunities that meet its client's needs.

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

100

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
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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		17	400	000	000
Currency	AUD				
Assets in USD		16	169	831	847

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 percentage breakdown

	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	98	0
Infrastructure	2	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 broad ranges

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

OO 09	Voluntary	Descriptive	General
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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Lend Lease is a leading, fully integrated, international property and infrastructure group. It's founder, Dick Dusseldorp, made the following statement in 1973:

"Companies must start justifying their worth to society, with greater emphasis placed on environmental and social impact rather than straight economics."

This approach to business underpins everything that is touched by Lend Lease, and can be seen in nearly everything the organisation does. Over 50 years of experience has taken Lend Lease across the globe from Australia to Asia, Europe and the Americas. The organisation employs more than 13,000 people around the world and manages an extensive portfolio of assets.

Lend Lease's clients, partners and investors can choose to leverage its strengths and local expertise at any stage of the property and infrastructure spectrum - from development, investment management, project management & construction, and asset & property management - or partner with the organisation right through the complete journey. Lend Lease has a flexible and creative capital approach, resulting in superior investment performance. Using a truly collaborative approach, Lend Lease guides clients and investors beyond just maximizing value to innovative, sustainable outcomes.

Lend Lease is committed to operating Incident and Injury Free wherever it has a presence. In fact, it is more than a property and infrastructure business. Lend Lease is in the business of creating positive legacies for everybody involved - from the people who live in or use its places and spaces every day, to its business and government partners, and even the individual members of its own team.

Lend Lease has a long and reputable history in investment management, and is committed to creating value for our wholesale investors. As of December 2014, Lend Lease's investment management team managed approximately

A\$17.4 billion in property assets across unlisted funds, joint ventures and separate mandates in Asia, Australia and Europe.

Lend Lease invests on behalf of institutional investors including pension funds, sovereign wealth funds, investment managers and insurance companies, giving its investment partners access to quality property assets across the risk/return spectrum.

Lend Lease can also access Lend Lease's in-house development, asset and property management, research, capital transactions, project management and construction skills. These end-to-end capabilities help the organisation to provide property investment opportunities that meet our client's needs.

Lend Lease as a fund manager has a duty to act in the interests of its unit holders. In this fiduciary and stewardship role, it believes that environmental, social and governance (ESG) factors form an integral part of the management process of its property portfolios. Lend Lease has defined three core operating principles - Safety, Sustainability and Diversity.

Lend Lease has also developed a companywide sustainability governance framework to provide discipline and focus for all our efforts and activities on the matters most important to us and our stakeholders. At the core of this framework remains the recognition that people are central to Lend Lease's business activities. The framework addresses environment, social and economic aspects, and defines long term targets and commitments. Lend Lease acknowledges that achieving safety, sustainability and diversity outcomes will deliver long term value for its investors, the environment and its communities and utilises this framework in defining its approach to responsible property investment. The twelve aspects covered by the framework are: energy; water; waste; nature; community development; health and wellbeing; training, employment and skills; diversity; resilience and adaptation; responsible investment; innovation. Further details can be found on the Lend Lease website

http://www.lendlease.com/worldwide/sustainability/~link.aspx?_id=EA0037872A5246C1BC886A46BD46835B&_z=z

In line with its signatory commitment under the United Nations Principles for Responsible Investment (PRI), Lend Lease is committed to creating value for all stakeholders in everything it does by delivering positive economic, environmental and social outcomes whilst operating in an environment that is Incident & Injury Free.

Lend Lease is committed to exceptional corporate governance policies and practices which are fundamental to the long term success and prosperity of Lend Lease. Lend Lease continually reviews its governance practices to address its obligations as a responsible corporate entity.

Lend Lease also has a suite of environmental, social and governance policies which can be reviewed on the corporate governance section of Lend Lease's website <http://www.lendlease.com/worldwide/about-us/corporate-governance>

As a listed company (ASX: LLC), Lend Lease must comply with the ASX Listing Rules, which require it to provide a statement in its Annual Report disclosing the extent to which it has followed the ASX "Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations".

Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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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
- Infrastructure
- None of the above

OO 12	Mandatory	Gateway	General
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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
- Infrastructure

Closing module

- Closing module

Lend Lease

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.
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- 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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Lend Lease's investment management business first released a Responsible Property Investment Policy (RPI Policy) in June 2007. The RPI Policy creates a formal framework for the environment, social governance (ESG) and safety factors for all Lend Lease managed funds. The RPI Policy is reviewed and re-endorsed by the Trustee Board annually.

Lend Lease's RPI Policy commits it to the following actions:

1. Formally evaluating the impacts and risks of ESG issues in its investment and management decision making;
2. Developing and implementing Sustainability Strategies for each of its Funds, globally, that address Lend Lease's operating principles and key sustainability focus areas. The strategies clearly articulate the sustainability aspirations and performance targets for assets and portfolios, addressing the key ESG factors that govern how each existing asset and acquisition contributes to investment value in both sustainable and financial terms;
3. Measuring and reporting on ESG criteria;
4. Using ESG green rating tools and labels, where they exist, to benchmark and disclose the ESG performance of our assets and portfolios;
5. Engaging and sharing knowledge with stakeholders on ESG issues related to responsible property investment practices, promoting the PRI;
6. Collaborating with industry bodies, government agencies and like-minded stakeholders on tools, labels and incentives which promote sustainable ESG performance in the property and investment industries;
7. Reporting progress annually against its actions.

The fund specific sustainability strategies noted above provide clear guidelines, objectives, commitments and targets for each Lend Lease managed property fund.

Importantly, within these strategies each fund acknowledges the sustainability aspirations of the broader Lend Lease Group and states its alignment with the Group's key sustainability objectives.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1 Indicate if your responsible investment policy is publicly available.

Yes

OA 02.2 Provide a URL to your responsible investment policy.

URL

http://www.lendlease.com/worldwide/capabilities/~/_media/Group/Lend%20Lease%20Website/Worldwide/Documents/Capabilities/SRI%20template%20Word%20%20January%202015.ashx

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]

Lend Lease manages private unlisted property funds and therefore only distributes detailed fund specific ESG strategies to existing and potential investors of each respective fund.

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="radio"/> Applicable policies cover all AUM
<input checked="" type="checkbox"/> Engagement/active ownership policy	<input type="radio"/> Applicable policies cover a majority of AUM
<input checked="" type="checkbox"/> Specific guidelines on corporate governance	<input type="radio"/> Applicable policies cover a minority of AUM
<input checked="" type="checkbox"/> Specific guidelines on environmental issues	
<input checked="" 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	

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]

Lend Lease investment management business implements several policies that contribute to the management of potential conflicts of interest. These policies include but are not limited to the following:

- Arrangements for Managing Conflicts of Interest
- Allocation of Property Asset Investment Opportunities
- Related Party Transactions Policy
- Core Values
- Code of Conduct
- Employee Conduct Guide
- Code of Conduct Breach Reporting Policy

Several of the policies noted above are available on the Lend Lease website <http://www.lendlease.com/worldwide/about-us/corporate-governance>

No

Objectives and strategies

OA 05

Mandatory

Gateway/Core Assessed

General

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

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
 - Fund Managers**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investment analysts
 - Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Other role, specify
 - Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

4

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

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

In November 2007, Lend Lease's investment management business became one of the first property investment managers to become a signatory to the Principles for Responsible Investment.

Lend Lease participates in regional PRI events and activities.

Lend Lease has also responded to the PRI survey every year since 2008.

- 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)

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]

Lend Lease has participated in the annual GRESB survey since its inception. The organisation has proactively provided feedback to the administrators both directly and via local peak industry bodies with a view to improving the survey for all participants.

In 2013 Lend Lease became corporate members of GRESB. Membership has allowed Lend Lease to participate in the regional Benchmark Committee, which is a formal working group that has a voice in GRESB's development and which contributes to further Survey improvements.

In 2014, Lend Lease's investment management business was recognised as a leader in responsible property investment by GRESB with five of its property funds achieving global or regional leadership status.

- 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]

Lend Lease's Head of Sustainability - Investment Management chairs the IGCC's Property Working Group and Lend Lease employees participate in IGCC presentations, events and other initiatives.

- 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 Responsible Investment Association Australasia

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]

Lend Lease participates in RIAA events, education and other activities.

- 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

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

Lend Lease became formal signatories to UNEP FI in 2010 and have participated in UNEP FI Property Working Group (PWG) activities since 2008. The UNEP FI Property Working Group promotes responsible property investment that achieves the best possible environmental, social and financial results.

Participation in the PWG has included contributing to important UNEP FI papers, attendance at face to face meetings and roundtables, and participation in regular teleconferences.

- United Nations Global Compact

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]

Lend Lease has recently formalised its commitment to the UN Global Compact.

It supports the ten principles of the Global Compact and intends to implement the principles across its operations.

Lend Lease has become a Compact Network member in Australia and has already hosted an external stakeholder event on Human Rights in the Construction supply chain. The event was attended by NGOs, clients, project partners and investors.

- Other collaborative organisation/initiative, specify

City of Sydney's Better Buildings Partnership

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

- Basic
- Moderate
- Advanced

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

In March 2011, Lend Lease became a founding member of the City of Sydney's Better Buildings Partnership (BBP). Through this program, the organisation will endeavour to support the City of Sydney's target to reduce its greenhouse gas emissions by 70 per cent by the year 2030 (based on 2006 levels). The partnership aims to develop collaborative solutions and initiatives to overcome barriers and achieve substantial improvements in the environmental performance of buildings.

Lend Lease employees currently participate in several BBP working groups, Chair the Waste Working Group and are members of the Leadership Panel.

- Other collaborative organisation/initiative, specify

Property Council of Australia - Board, NSW Sustainable Development committee and National Sustainability Roundtable

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

- Basic
 Moderate
 Advanced

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

Lend Lease actively participates in all Property Council of Australia sustainability related advocacy, committees and working groups and chaired the National Sustainability Roundtable during the reporting period.

Lend Lease is also represented at the board level of the Property Council.

- Other collaborative organisation/initiative, specify

Regional Green Building Councils and the World Green Building Council

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

- Basic
 Moderate
 Advanced

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

Lend Lease contributes significantly to regional Green Building Councils, globally, by providing Trustees for corporate boards through to tool development working groups and certification processes.

Lend Lease is a founding member of green building councils in the USA, UK, UAE, Argentina, Australia Malaysia and Singapore.

Lend Lease is the Regional Manager for the World Green Building Council (WGBC)'s Asia Pacific Network which aims to facilitate collaboration across Asia Pacific country Green Building Councils leading to knowledge sharing and advancing Green buildings movement in the region. Lend Lease's Global Head of Sustainability is also a member of the WGBC's Corporate Advisory Board.

Lend Lease has also assisted with establishment of green building councils in Spain, Romania, Netherlands, Poland, Italy, China and Malaysia, New Zealand and South Africa.

- Other collaborative organisation/initiative, specify

ANREV (the Asian association for Investors in Non-listed Real Estate Vehicles)

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

- Basic
 Moderate
 Advanced

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

Lend Lease actively participates in ANREV's sustainability committee.

Over the year it has contributed be developing several case studies that have been shared with the ANREV network.

Lend Lease also chairs the ANREV Young Professionals Working Group which provides a forum for the junior leadership of our member companies to increase their knowledge of the non-listed property funds industry and to build up a network of peers.

OA 10.2 Additional information. [Optional]

Other engagements/collaboarations:

- Lend Lease is a member of APREA's (Asia Pacific Real Estate Association) and Lend Lease's Head of Sustainability - Asia is currently chair of APREA's Sustainability Committee.
- Lend Lease is also an International Panel of Expert invited by the Building& Construction Authority of Singapore to advance Construction Productivity with the use of sustainable materials such as engineered timber which Lend Lease is introducing and leading in Singapore.
- Lend Lease is actively involved with Green Cross Australia and two Lend Lease employees are currently non-executive directors.

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

No

Lend Lease

Reported Information

Public version

Direct - Property

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

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

PR 05.2 Provide a URL if your RPI policy is publicly available. [Optional]

http://www.lendlease.com/worldwide/capabilities/~/_media/Group/Lend%20Lease%20Website/Worldwide/Documents/Capabilities/SRI%20template%20Word%20%20January%202015.ashx

No

PR 05.3 Additional information. [Optional]

Lend Lease's RPI Policy creates a formal framework for environment, social governance (ESG) and safety factors for all Lend Lease managed funds.

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
 - Always
 - In a majority of cases
 - In a minority of cases
- 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]

Lend Lease's Investment Management business includes details its Responsible Investment Policy and processes in all of its Information Memoranda which are used to promote its products. Each property fund's ESG strategy is appended to each Information Memorandum which outlines the fund's approach to pre and post-acquisition ESG integration.

- 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]

Each Lend Lease managed property fund implements a comprehensive environmental, social and governance (ESG) review process during acquisition due diligence processes.

The due diligence process involves external specialist consultants. If any issues are raised in the specialist consultant's initial report, further reports or reviews are commissioned.

Once the due diligence process is complete the funds take into consideration the sustainability credentials of the asset and the potential cost of enhancing, upgrading, refurbishing or redeveloping the asset and its ongoing operations to align with Lend Lease's requirements and future asset strategy.

- No

PR 10

Mandatory

Core Assessed

PRI 1,3

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.

ESG issues

- Environmental

List up to three typical examples of environmental issues

Environmental risks: A comprehensive review of compliance with Lend Lease's Asset Global Minimum Requirements ('GMRs') for Environment, Health and Safety is undertaken.

Environmental performance: Energy efficiency, water efficiency, waste management practices

- Social

List up to three typical examples of social issues

Safety, Health and Wellbeing risks: A comprehensive review of compliance with Lend Lease's Asset Global Minimum Requirements ('GMRs') for Environment, Health and Safety is undertaken.

Community aspects: Demographic research, local/regional economic conditions and community analysis.

Sustainable transport options: Efficient vehicle parking, end of trip facilities, public transport.

Governance

List up to three typical examples of governance issues

Governance issues: Legal, property management, accounting, environmental ratings and certifications.

Responsible investment: Ethical usages, cultural heritage and artifacts, indigenous or sensitive communities, environmental lobby group action

Climate change and extreme weather risks

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

PR 14.2

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

- 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

PR 14.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

Our fund specific sustainability strategies and Lend Lease's Global Minimum Requirements for safety and environment provide clear objectives, strategies, and targets for each asset. These tools are used to clearly articulate aspirations and expectations for stakeholders.

On a quarterly basis, sustainability reviews are undertaken and investors are updated on the overall performance of the funds their assets. The investor reports cover several aspects and include ESG issues and performance.

No

Property monitoring and management

PR 15

Mandatory

Core Assessed

PRI 2,3

PR 15.1

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.

- >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)

PR 15.2

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

ESG issues

- Environmental

List up to three example targets per issue

Base building/common area electricity consumption intensity
 Whole building water consumption intensity
 Primary recycling rate

- Social

List up to three example targets per issue

Tenant satisfaction surveys issued (percentage of tenants covered)
 Tenant satisfaction survey response rate
 Community engagement activities (number of)

- Governance

List up to three example targets per issue

Green leases executed (percentage of leasing activity)
 Asset and portfolio level NABERS Energy and Water targets
 Assets with a climate resilience and adaptation plan

- We do not set and/or monitor against targets

Property developments and refurbishments

PR 17

Mandatory

Core Assessed

PRI 2

PR 17.1	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)

PR 17.2	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

PR 17.3	Additional information. [Optional]
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Compliance with Lend Lease's Construction and Asset Global Minimum Requirements for safety and environment is a requirement for all Lend Lease projects.

Further, a sustainability brief is always developed for major developments, retrofits and refurbishments.

Occupier engagement			
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PR 18	Mandatory	Core Assessed	PRI 2
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PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 18.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
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- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Other, specify

PR 18.3	Additional information. [Optional]
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Strong and consistent engagement with tenants provides the Lend Lease's investment management business with insight into their evolving needs and demands. This allows the Lend Lease to be proactive in meeting those changing requirements now and into the future.

Tenant engagement leads to tenant retention and maintaining high levels of tenant retention minimises the potential costs associated with downtime and releasing of vacant space.

All fitout guidelines issued to tenants prior to occupation include environmental and social sustainability requirements and recommendations.

Another key component of the tenant engagement strategy is the completion of an annual survey of existing tenants within the portfolio. The survey is used to understand the occupants view on sustainable initiatives. Results of the survey are collated and presented to the owners. Key issues are addressed in asset plans. Further tenant engagement regarding the survey results is undertaken when required.

Training on waste minimisation is typically provided to tenants, particularly where tenants generate a material quantity of waste. Through this process feedback is provided on waste recycling performance.

Additionally, feedback on energy and water performance is provided via tenant portals and/or asset websites.

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.
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- Disclose publicly

provide URL

<http://www.lendlease.com/worldwide/capabilities/~link.aspx?id=696114AA09F349FB963CEBD066DF8FF0&Z=Z>

provide URL

http://www.lendlease.com/~media/group/lend%20lease%20website/worldwide/documents/ll_mr_lend%20lease%20funds%20lead%20the%20way%20on%20global%20sustainability%20ranking.ashx

PR 23.2

Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- Other property reporting standards, specify
GRESB and DJSI
- No property specific reporting standards are used

PR 23.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- Yes
- No

PR 23.4

Indicate the type of ESG information that your organisation proactively discloses to the public.

- 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

PR 23.5

Indicate your organisation's typical frequency of disclosing ESG information to the public.

- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc, specify

PR 23.6

Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.

- 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

PR 23.7

Indicate your organisation's typical frequency of disclosing ESG information to your clients/beneficiaries.

- 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 the public and/or clients/beneficiaries. [Optional]

Lend Lease's investment management business publicly discloses a summary of its annual GRESB performance together with NABERS ratings for commercial office assets (updated quarterly).

Through Information Memoranda, fund specific ESG strategies and quarterly investor reporting Lend Lease Investment Management's clients are advised of ESG processes during pre and post-investment phases, and are regularly updated on ESG initiatives, ratings and performance.

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