

scape



SUSTAINABILITY

REPORT 2023

PUBLISHED MARCH 2024
Contact: chris.nunn@scape.com.au
(GRI 2-3 Reporting period, frequency and contact point)

In the spirit of reconciliation, Scape acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.



“Every decision we make, every action we take, is purpose-driven. Our procurement of energy, our approach to recruitment or our reporting to stakeholders, we always ask ourselves ‘why’. It is this purpose-driven culture which drives us to be the Earth’s best living company.”

CRAIG CARRACHER

FOUNDER AND EXECUTIVE CHAIRMAN

Volleyball King.

“Our capital partners are the world’s leading real estate investors. They are best in class globally, and we are proud of our partnership with them. They expect us to transparently disclose our performance and continuously improve our governance and risk management processes. Reporting to our stakeholders on the performance of our business is not an obligation but a privilege.”

STEPHEN GAITANOS

FOUNDER AND MANAGING DIRECTOR

Rugby League Fanatic, Father of two.





“Scape’s values include caring about our people, our neighbourhood and environment, being ambitious and challenging the status quo, while embracing diversity, equity and inclusion. These values are reflected in the many achievements documented in this report, as well as our ambitious ESG targets, setting us on the path to be the Earth’s Best Living Company.”

ANOUK DARLING

CHIEF EXECUTIVE OFFICER

Sneaker Lover, Mother of three.

SUSTAINABILITY

Highlights 2023

ENERGY CONSUMPTION WAS
59 GWH
131 KWH/M² (GFA)

for the whole portfolio,
compared to 123 kWh/m²/
annum for our 3 newest
operating buildings

CARBON
EMISSIONS WERE
30,485 TCO₂E

(Scope 1&2) or 66 kgCO₂e/m² (GFA)

Switched approximately
25% OF SCAPE'S ANNUAL
ELECTRICITY DEMAND TO

100%

RENEWABLE ELECTRICITY

at the end of 2023, and aim to supply
approximately 60% of Scape's electricity
demand from renewable sources by the end
of 2024, and over 80% by the end of 2025

2,769 tonnes of waste
were generated with

24% BEING
RECYCLED

with an average of 6 kg/m² total waste

In QLD Scape's 'reverse vending machines'
COLLECTED 32,210
CONTAINERS RAISING
\$3,050 FOR CHARITY

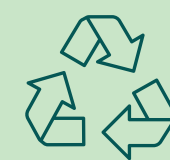
and diverting an estimated 1.9 tonnes
of material from landfill

Outgoing residents donated:

19.7 TONNES OF MATERIAL FOR REUSE with textiles making
up approximately 80%

1.78 TONNES OF CLOTHING | **19 BICYCLES**

250 KG OF UNWANTED BEDDING TEXTILES



DIVERTED 285 KG OF POST-CONSUMER
HDPE PLASTIC FROM LANDFILL

to be made into
recycled plastic tables
and clothes hooks

SCAPE RECYCLED

102 KG | **OF BATTERIES**

379 KG | **OF E-WASTE**

105KG
OF FOOD WAS DONATED
VIA OZHARVEST
TO PEOPLE IN NEED

OVER 1,122 CERAMIC SHELVES
WERE MADE FROM RECYCLED
TEXTILES AND GLASS
to be installed at new developments

Each shelf incorporating 2 mattress protectors
DIVERTING APPROXIMATELY

2,400

MATTRESS PROTECTORS
(weighing about 2.3 tonnes) from landfill

>90%

OF CONSTRUCTION WASTE
DIVERTED
FROM LANDFILL

WATER CONSUMPTION OF
635,281 KL
OR 1,379 LITRES/M²/ANNUM

3 NATIVE
BEE HABITATS
INSTALLED

417KG
OF HONEY
HARVESTED FROM 12 HIVES

Average distance to nearest train/ tram stop

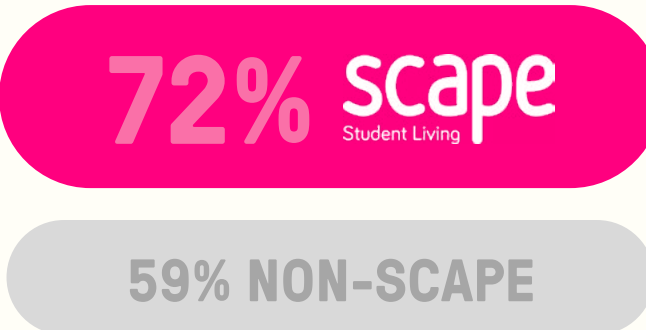
<300M
JUST A 3 MIN WALK

7 Scape buildings scored a
PERFECT 100
WALKSCORE
WALKABILITY RATING
and 2/3rds of assets score >90,
classifying them as a 'walker's paradise'

Scape residents reported **higher wellbeing** than non-Scape residents. Scape residents are more likely to:

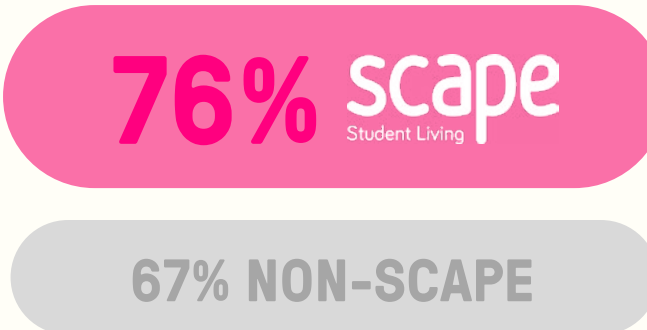
EXPERIENCE BETTER MENTAL HEALTH

SUM OF RESPONSES
Excellent, Very Good or Good

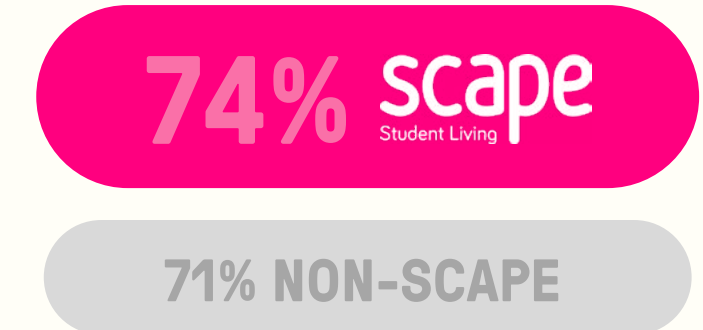


EXPERIENCE BETTER PHYSICAL HEALTH

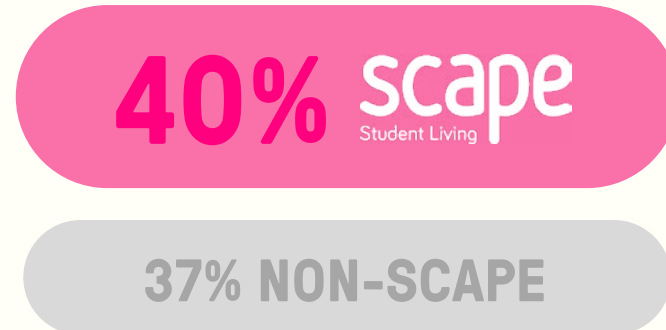
SUM OF RESPONSES
Excellent, Very Good or Good



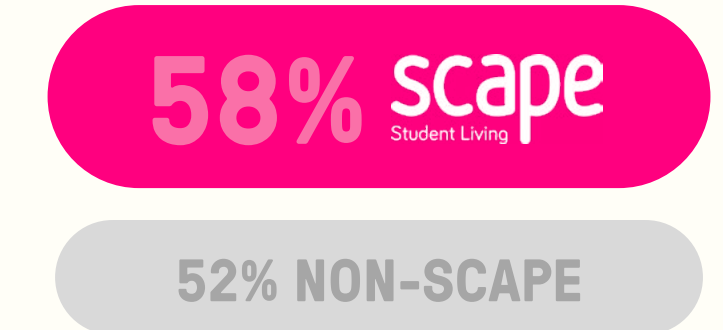
FEEL A SENSE OF INCLUSION AND BELONGING



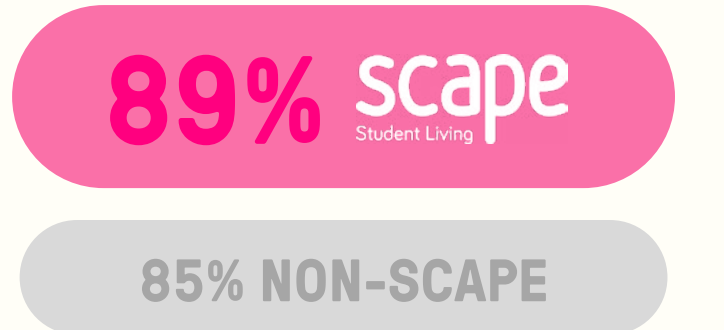
EATING HEALTHY FOOD



CONNECT WITH FRIENDS & FAMILY



FEEL LIKE DIVERSITY IS EMBRACED AND RESPECTED IN THEIR EVERYDAY LIVES



2,500
CCTV CAMERAS WERE MONITORED BY TRAINED SECURITY PERSONNEL

125 SUBSIDISED SCHOLARSHIP BEDS

VALUE DONATED EXCEEDS **\$1.3 MILLION PER YEAR**

SCAPE'S STAFF COMPROMISES OF
**60% WOMEN
AND 40% MEN**

The Senior Leadership Team is 40% women, 60% men

**3.2% WGEA
GENDER PAY GAP VERSUS
25.7% AVERAGE**

for Australian property operators and Real Estate Services category

**RECOGNISED AS AN
INCLUSIVE EMPLOYER**

by the Diversity Council Australia (DCA)

**INSTALLED
WELCOME
HERE
STICKERS
AT EVERY BUILDING**

**FORMED A
RECONCILIATION
ACTION PLAN (RAP)
WORKING GROUP**

and developed a 'Reflect' RAP

**93% OF STAFF
SAID**

"Scape creates an inclusive, welcoming community that understands and respects people's differences"

**69% OF STAFF ARE
MULTILINGUAL**

and 72% come from a non-English speaking background

479 staff attended fire warden and emergency preparedness training

285 participated in mental health workshops

**INTRODUCED ESG TARGETS
INTO BUSINESS KPIS**



**RAN A 6-WEEK
INTERNSHIP PROGRAM
FOR SIX OF OUR RESIDENTS**

**81%
OF STAFF**

are happy with our programs to support their wellbeing

**LAUNCHED NEW
PEOPLE AND CULTURE TOOLS**

including an Applicant Tracking System to improve our recruitment process, a Leadership Capability Framework, and a Career Development Framework

2,542

safety-related courses were completed via our online learning platform

**WITH AN AVERAGE OF
40 HOURS OF TRAINING
FOR EACH FULL-TIME
OPERATIONS EMPLOYEE**

IMPROVED CYBER AND INFORMATION SECURITY

with a phishing scam simulation, backup restoration testing, and external penetration testing

**APPOINTED AN
ESG MANAGER**

**A TRAINING
MANAGER**

**& A WELLBEING
MANAGER**

**SCAPE STAFF LOGGED
1,310 ATTENDANCES**

at face-to-face training events

**COMPLETED
4,449**

**E-LEARNING MODULES
AND OBTAINED 259
FIRST AID QUALIFICATIONS.**

241 personal safety training certificates were issued

46 mental health first aid qualifications obtained

Scape Lincoln and Scape Franklin developments were awarded

GREEN STAR 5 STAR DESIGN



and As-Built ratings by the Green Building Council of Australia

**APPOINTED ESG DATA
SOFTWARE SOLUTION PROVIDER**

and an automated utility data ingestion partner to automate and streamline our ESG reporting and management insights

Scape development vehicles JV1 and JV2 were jointly named GRESB Real Estate 'Global Sector Leader - Residential Developments' with a score of

99/100

in the Development Benchmark and a 5 Star rating (top 20% of participants)

**SCAPE STAFF
SPEAK 100+
LANGUAGES**

**\$1.4BN DEBT FACILITY
CONVERTED TO A
SUSTAINABILITY LINKED LOAN.**

Satisfied the 2023 Sustainability Performance Targets (SPTs) by procuring 100% renewable electricity and rating 3 buildings using Green Star Performance

ABOUT SCAPE

Scape Australia Management Pty Ltd (“Scape”) is a Real Estate Investment and Asset Manager operating in Australia with headquarters in Sydney. Scape is a private company active in the real estate sectors of student accommodation, expanding into Build to Rent residential accommodation. Scape is a vertically integrated platform, with a value chain covering capital raising, investment management, development, transactions, leasing, property management and customer experience. Scape directly manages daily operations across 34 operational assets, housing over 17,000 residents. It has a development pipeline in 2024 of 11 assets which will add an additional circa 2,500 beds to the portfolio. Scape partners with a range of downstream entities in order to develop and operate real estate on behalf of its investors including: architects, engineers, building contractors, cost consultants, project managers, and ESD consultants among others in our developments; mechanical, electrical, fire, hydraulic and façade consultants and contractors to maintain and upgrade its operational assets (GRI 2-1 Organisational details and GRI 2-6 Activities, value chain and other business relationships).

Scape’s sustainability report covers the whole of the Scape group of entities, including its three funds: Core Program; Joint Venture 1 (JV1); and Joint Venture 2 (JV2). ESG information has been consolidated to include the whole group, and the ESG reporting approach is consistent throughout the disclosures in this Standard and across all material ESG topics. There have been no relevant mergers, acquisitions, and disposal of entities or parts of entities (GRI 2-2 Entities included in the organisation’s sustainability reporting).

In this Annual Sustainability Report Scape has reported in accordance with the GRI Standards for the period covering the calendar year of 2023 from 1 Jan to 31 Dec and this is the main public sustainability report for the organisation. In addition to this report, Scape discloses ESG matters to its investors as part of its quarterly investor reporting. (GRI Requirement 1; GRI 2-3 Reporting period, frequency and contact point; GRI Requirement 8: Provide a statement of use).

Scape’s ESG approach has been amended with the engagement of another ESG resource in 2023. Scape has updated its ESG Framework, objectives, targets and strategy in 2023, and improved the process for gathering and reporting ESG information. As a result there are differences in the ESG approach and data reported in Scape’s 2022 ESG Report (GRI 2-4 Restatements / corrections).

At this stage, Scape’s ESG report has not been externally assured. ESG data is reviewed by third party consultants as part of preparing Scape’s GRESB (Global Real Estate Sustainability Benchmark) reporting, which covers the same period of calendar 2023 as this report (2-5 External assurance).

Scape will notify the GRI of the use of the GRI Standards and the statement of use by sending an email to reportregistration@globalreporting.org (GRI Requirement 9: Notify GRI).



2023



SCAPE'S COMMITMENT TO ESG AND SUSTAINABILITY

Our ESG and responsible investment philosophy is centred on delivering long-term, sustainable returns for our investors by considering ESG factors within our investment decisions and ownership practices. Our ESG approach provides us with greater insight into potential risks and opportunities that will impact the value, performance and reputation of the investments we make, and means our investments remain relevant, both now and in the future, and adaptable to changing lifecycles, markets, client and customer expectations.

Scape is committed to building and operating sustainable residential real estate that respects environmental limits and maintains our social license to operate. This policy applies to all Scape operational assets and developments. We have developed this ESG Policy with the aim to:

- provide healthy, comfortable and uplifting environments for our residents, and encourage them to engage with and support our ESG goals
- remain a trusted partner to our investors by delivering stable risk-adjusted returns in an increasingly volatile market as we transition and adapt to climate change and other ESG forces, and transparently report our ESG performance
- provide clarity to our suppliers and business partners about our ESG expectations
- support positive social impact in the broader communities in which we operate
- engage, motivate and inspire our staff to take pride in our ESG leadership
- comply with rising ESG-related regulatory obligations

Scape is committed to complying with applicable environmental, social and governance laws and regulations, and going beyond compliance by continuously improving our approach to managing ESG-related impacts. We strive to reduce or eliminate environmental harm, avoid pollution, minimise ESG-related risk. We continue to identify and act on opportunities that will create positive environmental and social outcomes for our residents and communities which are consistent with our business goals.

Scape will identify potential environmental hazards and adverse social impacts, evaluate likelihood and significance, and will take reasonable action to prevent harm by implementing suitable controls.

Scape's employees will be provided with the necessary resources, equipment, information, instruction and training to fulfil the requirements of this policy.

SCAPE'S ESG FRAMEWORK

In 2023, Scape developed a comprehensive approach to managing ESG related risks and opportunities covering the material issues depicted in our ESG Framework. Scape has determined the material ESG topics with reference to our investors' and customers' expectations, to global and Australian best practice standards, and to market leadership positions in the Australian and Global real estate sector, consistent with our aspiration to be the *Earth's best living company*. A variety of standards were reviewed and correlated with our Framework, objectives, targets and strategy as part of our materiality analysis including the detailed provisions of: GRI 2024, GRESB, Green Star Buildings, Green Star Performance, TCFD and IFRS ISSB S1 and S2, the UN SDGs, the PCA Collective Social Impact Framework, the OECD Guidelines for Multinational Companies and the UN Global Compact Principles.

Scape has prioritised the ESG topics listed in our Framework based on their significance to our stakeholders and their importance in demonstrating a comprehensive and credible approach to ESG; (GRI 2-22 Statement on sustainable development strategy; GRI Requirement 3: Determine material topics). Scape's approach to our material ESG topics is addressed in the body of this report with a detailed section on each of the ESG matters listed in our ESG Framework. This section includes a statement of our objectives, policies and commitments in each area, as well as the metrics we use to measure our actual or potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights. These detailed sections also describe Scape's targets related to each material topic, and the management actions and activities undertaken during the calendar 2023 reporting period in order to mitigate our ESG impacts.

We track the effectiveness of these actions by using a set of ESG performance indicators and disclosures that is aligned with the GRI and other global real estate sustainability measurement and benchmarking systems such as GRESB. For each material topic, the disclosures we have made in this report are referenced against the relevant GRI Topic Standard listed in brackets after each relevant ESG disclosure, where relevant.

Scape has also reviewed and incorporated guidance from the GRI-G4-Construction-and-Real-Estate-Sector-Disclosures and aligned our approach to cover all relevant matters in that guideline, with references updated to reflect the updates between GRI G4 and the Consolidated set of GRI Standards published in 2024 (Disclosure 3-3 Management of material topics and Requirement 4: Report the disclosures in GRI 3: Material Topics 2021 and Requirement 5: Report disclosures from the GRI Topic Standards for each material topic). Where any disclosures are not yet included in this report, the predominant reason is that Scape is in the process of developing our ESG data gathering, assurance and reporting process, and in many cases information is currently unavailable or incomplete, due to 2023 being the first year Scape has had a dedicated in-house ESG resource to compile, review and report on ESG matters.

Scape is making rapid progress in maturing our ESG approach and taking steps to improve the coverage, accuracy and completeness of our ESG data and disclosures. We expect to have significantly improved the process for automatically ingesting ESG data and visualising it in an automated ESG reporting platform during this 2024 calendar year (GRI Requirement 6: Provide reasons for omission for disclosures and requirements that the organisation cannot comply with).



ESG FRAMEWORK

The themes we address in our ESG Strategy are:



ENVIRONMENT OUR EARTH



Climate Change
and Energy



Waste Minimisation
and Circular Economy



Water



Biodiversity



Transport



SOCIAL IMPACT OUR NEIGHBOURHOOD



Resident Safety, Health,
Wellbeing, Inclusion and
Awareness Training



Home For Good



Community Impact



Procurement



GOVERNANCE OURSELVES



Workplace Safety
and Wellbeing



Diversity, Equity
and Inclusion



Workplace Culture,
Capability and Training



Systems, Processes
and Policies



Transparency
and Accountability



SCAPE'S VALUES AND ESG OBJECTIVES

Scape was born out of a simple idea: that students shouldn't have to compromise on quality. Scape is more than just accommodation, it's an experience designed around a student's life. Currently home to over 17,000 students at 34 properties and counting, Scape is a melting pot of cultures and ideas with residents from over 132 nationalities - a place for inspiration and connection to set our residents up for life beyond the four walls of our buildings. Scape is always evolving as we strive to make the best experiences possible for our residents and work to build a better future together.

Our vision is to be the Earth's best living company. To achieve this ambitious goal, Scape aims to be a leader in sustainable building operation and create new developments that are fit for the future our residents will reside in. We hold ourselves to account by delivering against our values.

WE GIVE A SH*T

We come with high expectations but also a big care factor for our people, our neighbourhood and environment.

OPEN MINDED GOOD VIBES

We will choose kindness and bring strength and optimism to every conversation.

BOOTS ALL-IN

Collaboration takes heart. It means working together no matter what it takes. We will always be greater than the sum of the parts.

ROCKET TO MARS

Constantly curious, challenging and empowered. Our ambitions are endless.

ALPHABET SOUP

We're the home of diversity, equity and inclusion. For one and all.



ENVIRONMENT

Climate Change

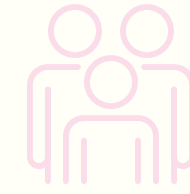
We recognise the need to transition to zero carbon and adapt to the impacts of Climate Change. Scape aims to be net zero carbon in operation by 2030 latest. We will shift to procuring renewable electricity, improve efficiency and phase out fossil fuels and other emissions sources. We will assess and mitigate physical risks to our buildings to increase climate resilience. In Scape's new developments we will explore the feasibility of PassivHaus certification, with the aim of routinely and cost-effectively delivering PassivHaus by 2030. We will also work towards significant reductions in embodied carbon and construction emissions.

Waste Minimisation and Circular Economy

We want to actively contribute to the transition towards a 'circular economy' by incorporating reused, repaired, remanufactured, and recycled products and materials in our building projects. Wherever practical we will use environmentally certified materials, and we will avoid the use of toxic materials and substances. We also aim to engage and influence our residents to reduce the amount of waste generated in Scape's buildings. This will involve minimizing waste sent to landfill, improving recycling practices and facilitating the donation of used items by our residents for reuse or recycling. We also aim to reduce water waste by specifying water efficient fixtures and minimising water pollution via effective stormwater management systems.

Biodiversity

Australia is home to biodiverse species found nowhere else in the world, but many are at risk from both habitat destruction and climate change. Scape will plant native species in our landscaping with the aim of creating habitats that support local biodiversity. Even more significantly, by 2030, Scape will support the creation of a biodiversity conservation reserve at least equal in size to the gross floor area of our buildings, which in 2023 was 506,528 m² or 50 hectares.



SOCIAL IMPACT

Resident Safety, Health, Wellbeing, Inclusion and Awareness Training

Scape aims to have a positive social impact on the individuals, communities and causes we support. Our buildings operate 24/7 and are home to thousands of people. The safety, health and wellbeing of our residents is paramount. We provide our residents with spaces that maintain a safe, secure and comfortable environment that supports physical and mental health and a culture where residents can build meaningful connections and a sense of community. Scape team members are constantly available to address residents' needs. We engage with residents in several ways: in person, via email, and through social media platforms. We regularly survey resident wellbeing, aiming to continually improve customer experience, satisfaction, accessibility and inclusiveness, and we offer support to residents that need help.

Accommodation for those in need

Scape will continue to donate subsidised accommodation to people in need, including victims of domestic violence and modern slavery, First Nations students and recovering cancer patients. Additionally we will continue to provide academic, athletic and artistic scholarships.

Community Impact

Scape partners with a range of organisations that provide education and engagement with residents on a number of topics including: safety, wellbeing and mental health; study and career advice; multi-cultural awareness; respectful relationships; and education about alcohol, drugs and consent. We maintain partnerships with Not-for-Profit (NFP) organisations focused on the issues that matter to our stakeholders and that promote engagement between residents and their local community.

Procurement

Scape's procurement of building and operational products and services is significant, and we aim to use that buying power to partner with suppliers that share our values, behave ethically and support us in achieving our ESG objectives. We expect our partners to sustain high ethical and environmental standards, including upholding workers' rights, implementing all Australian Labour standards and working conditions, and implementing processes to avoid the risk of child labour, forced or compulsory labour, modern slavery and other human rights abuses.

¹Net Zero Carbon is defined to mean Scope 1, 2 and operational Scope 3 emissions in line with the Climate Active Carbon Neutral Building Standard definition ([link](#))



GOVERNANCE

Workplace Safety and Wellbeing

Scape maintains high standards at our assets to keep residents, visitors, staff, contractors and the community safe. We promote and encourage a healthy, safe, and balanced lifestyle for all our employees. We provide training, career development pathways, and a structured performance review process to support our employees in their professional growth and career progression.

Diversity, Equity and Inclusion

We strive to create a welcoming, diverse and inclusive workplace culture for our employees and contractors. We aim to maintain gender parity across all staff and the leadership team. Scape actively promotes non-discrimination to create a safe and inclusive culture for people of diverse sexualities, genders, faiths and beliefs. Additionally, Scape will maintain a Reconciliation Action Plan to support our First Nations residents, staff and suppliers.

Workplace Culture, Capability and Training

At Scape, we maintain a culture of business integrity and we uphold the highest ethical values. With the oversight of Scape's Risk Committee, we monitor emerging risks and opportunities and maintain appropriate policies and procedures, including risk and compliance management, incident reporting, privacy and information security. We have a grievance and complaints process that is communicated to all residents, staff, suppliers, consultants, stakeholders and relevant community members.

Systems and Policies

Scape has a comprehensive set of corporate policies which are approved by the Board and SLT (Senior Leadership Team) and apply to all of Scape's activities and business relationships. Scape is committed to applying best practice policies in line with international standards including applying the precautionary principle, respecting human rights in accordance with the principles of the United Nations Global Compact. Its policies also align with the OECD Guidelines for Multinational Companies including in the areas of policies, disclosure, human rights, employment and IR, respect for the environment, anti-bribery, consumer protection, competition and

taxation. Scape's policy commitments are communicated to workers, business partners, and other relevant parties (GRI 2-23 Policy commitments). Scape conducts ESG screening as part of due diligence on acquisitions and has ESG criteria for new construction, as well as undertaking ESG Audits of operational assets. We include ESG requirements as part of our Resident Handbook to empower our residents to make conscious choices that contribute to a greener future. We engage with our staff, residents and suppliers to communicate our ESG targets, and we encourage everyone to play a part in achieving our ESG objectives. Scape publicly discloses its ESG policy on our website, communicating its commitment to ESG and our expectations to our residents, investors, supply chain, employees and other interested stakeholders. All Scape staff and contractors must comply with this Policy, breach of which may result in financial and non-financial consequences. Failure to comply with the Policy could give rise to regulatory and reputational risk, as well as financial losses for Scape. This Policy is approved by Scape's Executive. The Senior Leadership Team is responsible for providing the resources, support and directions required to implement this policy and achieve our ESG objectives and targets. Implementation is led by Scape's Head of ESG, who will work

with the development and operations teams to achieve our ESG objectives and targets. Adherence to this Policy is a shared responsibility of all Scape staff and contractors. Responsibility for complying with Scape's policy commitments and for integrating our policy commitments into organisational strategies, operational policies, and operational procedures begins with the accountability of the board and the risk committee, who together oversee compliance across different levels within the organisation, informed by relevant team members, including direct responsibility which lies with our executives – our CEO, CFO, Group COO, COO of Operations, and our General Managers and their respective reports and teams (GRI 2-24 Embedding policy commitments).

Transparency and Accountability

Scape maintain a detailed list of ESG targets for each investment vehicle which are shared with our investors, with progress reported quarterly. Scape will monitor our progress toward achieving our ESG objectives and targets, and transparently disclose our performance. We will develop and implement ESG targets and action plans at the portfolio, fund and asset level. We use third party rating systems to independently benchmark Scape's ESG performance and align with domestic and global best practice standards (including GRESB, GRI, TCFD, UNSDGs and Green Star). All Scape new build projects target a 5 Star Green Star Rating, which signifies 'Australian Excellence' in sustainable design and construction. We actively participate in industry bodies (including the PCA, APA and GBCA) through which we collaborate with industry peers and government bodies to promote policies that support enhanced ESG outcomes. By engaging with industry bodies and adhering to recognized standards we aim to lead by example and make a lasting impact on the broader community and the environment.

There have been no confirmed incidents of corruption or legal actions for anti-competitive behaviour, anti-trust, and monopoly practices or other business misconduct during the reporting period (GRI 205-3 Confirmed incidents of corruption and actions taken; GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices).

HEADLINE ESG TARGETS

Operational assets (Core Program)



ENVIRONMENT: OUR EARTH



CLIMATE CHANGE AND ENERGY

- Achieve Zero Carbon* by 2030
- Climate risk assessments and adaptation plans by 2024
- 20% improvement in building energy efficiency by 2030 (v2023 baseline)
- Convert buildings to all electric at end-of-life of existing fossil fuel equipment by 2040



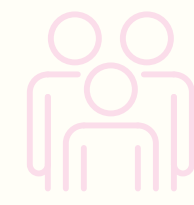
WASTE MINIMISATION AND CIRCULAR ECONOMY

- Increase our recycling rate to >80% by 2030
- Install 'smart' recycling bins at all assets by 2025
- Collect unwanted items and offer for reuse, donation or recycling from 2023
- Preference sustainable products & materials** from 2024
- Develop partnerships to promote circular economy initiatives from 2023



BIODIVERSITY

- Incorporate native plants in all our landscaping by 2025
- Establish a Scape Conservation Reserve (>GFA i.e. 50+ha) by 2027



SOCIAL IMPACT: OUR NEIGHBOURHOOD



RESIDENT WELLBEING

- 'ScapeTLC' wellbeing appraisal, activities & support from 2023
- Improve accessibility & universal design from 2024



ACCOMMODATION FOR THOSE IN NEED

- Allocate 100 beds annually as crisis accommodation for people in need, First Nations and scholarship recipients from 2023



COMMUNITY IMPACT

- Partnerships with aligned not for profit enterprises to create positive social change in the areas of mental health, diversity & inclusion, Indigenous reconciliation, respectful relationships, and alcohol & drug education by 2023
- 'The.Artscape' artist in residence, mentorship & art exhibition program from 2023



PROCUREMENT

- Engage with business partners on our Supplier Code of Conduct & modern slavery risk by 2024
- Support First Nations, Australian Disability Enterprises, Female Owned & Social Enterprises through procurement from 2025



GOVERNANCE: OURSELVES



DIVERSITY, EQUITY AND INCLUSION

- Achieve Gender Parity*** by 2027
- Implement a Reconciliation Action Plan & maintain supply nation membership by 2024
- Actively promote a safe and inclusive culture for people of diverse sexualities and genders from 2023



TRANSPARENCY AND ACCOUNTABILITY

- Publish our annual sustainability report in alignment with global standards i.e. GRI, TCFD, UNSDGs, UNGC from 2023
- Participate in GRESB (Global Real Estate Sustainability Benchmark) annually, and strive for continuous improvement
- All operational assets to obtain Green Star Performance certification by 2026
- Join the World Green Building Council Net Zero Carbon Buildings Commitment in 2023

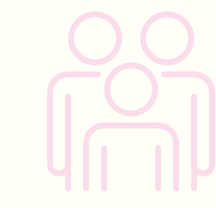
* Zero Carbon means Scope 1 and 2 + operational Scope 3 emissions (waste & water) will be net zero over the course of each calendar year and we will achieve Climate Active certification to verify it. ** Sustainable products and materials means those that are: zero carbon / carbon neutral / low embodied carbon; made with recovered or recycled content; wood products with FSC or PEFC certification; carry Environmental Product Declarations (EPDs) or Health Product Declarations demonstrating ethical or sustainable credentials; products that can easily be recycled at end of life; use non-fossil fuel based packaging (e.g. cardboard); free from any prohibited materials or ingredients including asbestos, lead and other potentially toxic or harmful chemicals. *** Gender Parity means minimum 40 per cent women, 40 per cent men and 20 per cent discretionary across all staff, aligned with the Property Council of Australia 40:40:20 campaign

HEADLINE ESG TARGETS

Developments



ENVIRONMENT: OUR EARTH



SOCIAL IMPACT: OUR NEIGHBOURHOOD



CLIMATE CHANGE AND ENERGY

- Design for net Zero Carbon* operation i.e. highly efficient all-electric buildings designed to run on renewable electricity
- Explore feasibility of PassivHaus Certification in new developments initiated from 2024, with the aim of routinely cost-effectively delivering PassivHaus developments by 2030
- Energy demand (kWh/m²/year) and GHG emission (kgCO₂e/m²/year) targets to be set for new developments with reference to CRREM decarbonisation pathway from 2024
- Climate risk assessments and adaptation plans on acquisitions and developments from 2024
- For developments initiated from 2025 target a >20% reduction in embodied carbon** emissions; and >40% reduction by 2030
- Construction contractors to offset construction emissions by 2027, and eliminate or offset embodied carbon in demolished materials, construction materials, materials transport to site, and all other significant emissions sources (over 1%) by 2030



WASTE MINIMISATION AND CIRCULAR ECONOMY

- Design for segregated collection of waste, including 'smart' recycling bins from 2024
- Make provision for display of unwanted items for reuse from 2024
- Preference sustainable materials and products*** and incorporate circular economy initiatives in new buildings from 2024



BIODIVERSITY

- Incorporate native plants and habitats in landscape design from 2024
- Establish a Scape Conservation Reserve (>GFA) by 2027



RESIDENT WELLBEING

- Specify security technology and services to 'ScapeSafe' common minimum standards from 2024
- For developments initiated from 2025, design to make provision for future retrofit of accessibility aids, and implement performance solutions catering to a variety of special needs



COMMUNITY IMPACT

- Conduct community consultation and stakeholder engagement as part of planning, design and construction process from 2023
- For developments initiated from 2024, report on total jobs created, and endeavour to generate employment opportunities for disadvantaged and under-represented groups



PROCUREMENT

- Engage with building contractors on our Supplier Code of Conduct and modern slavery risk from 2024
- Construction contractors to maintain ISO14001 accredited environmental management systems from 2024
- Preference suppliers with ethical or sustainable certifications and social and disability enterprises from 2025

* Zero Carbon means Scope 1 and 2 + operational Scope 3 emissions (waste and water) will be net zero over the course of each calendar year and we will achieve Climate Active certification to verify it.

** Embodied carbon emissions means the definition in EN15978 stages A1-A3 i.e. raw material supply, transport and manufacturing at the product stage a.k.a. cradle to gate; with reductions compared to a reference building.



GOVERNANCE: OURSELVES



DIVERSITY, EQUITY AND INCLUSION

- Require building contractors, designers and consultants to report on gender equity statistics of development project teams by 2025
- Consultation with Traditional Custodians of the land during design and incorporation of Indigenous design elements from 2024
- Actively promote a safe and inclusive culture for people of diverse sexualities and genders from 2023



TRANSPARENCY AND ACCOUNTABILITY

- Publish our annual sustainability report in alignment with global standards i.e. GRI, TCFD, UNSDGs, UNGC from 2023
- Participate in GRESB (Global Real Estate Sustainability Benchmark) annually, and strive for continuous improvement
- Achieve 5 Star Green Star Design and As Built ratings on all new developments from 2022; and for developments initiated from 2024, achieve 5 Star Green Star Buildings ratings
- Join the World Green Building Council Net Zero Carbon Buildings Commitment in 2023





ENVIRONMENT

Our Earth

ENVIRONMENT – OUR EARTH

The material environmental themes Scape focuses on are:

- Climate change and energy
- Waste minimisation and circular economy
- Water efficiency
- Biodiversity
- Transport

CLIMATE CHANGE AND ENERGY

ZERO CARBON - SCOPE 1, 2 AND 3

Objective

Scape's target is to achieve net zero carbon for Scope 1, 2 and relevant Scope 3 emissions by 2030 at the latest. This target is consistent with a 1.5 degree C transition pathway.

Scape's definition of net zero carbon is consistent with the Climate Active Carbon Neutral Building Standard definition of 'carbon neutral for whole building operations' that defines 'Emissions deemed to be relevant' to include Scope 1 (gas, diesel, refrigerants) and Scope 2 (purchased electricity for both base building services and tenant occupied areas) plus operational Scope 3 emissions (i.e. the CO₂e emissions associated with water supply, waste water treatment and waste) which will be net zero over the course of each calendar year.

At this time, Scope 3 CO₂e emissions from energy used to construct, fit out, renovate or upgrade buildings (including energy embodied in materials), are not included within Scape's net zero carbon target, as they are outside Scape's operational carbon footprint, and are not included as part of the definition of Zero Carbon in the Climate Active Carbon Neutral Building Standard. Scape will consider developing and adopting targets to quantify and mitigate Scope 3 embodied carbon emissions in the future. Notwithstanding this exclusion of Scope 3 construction emissions from our net zero target, Scape is taking action to quantify and reduce embodied carbon in our development pipeline (see embodied carbon section below).

Greenhouse Gas Emissions (GHGs) relevant to Scape are: Carbon dioxide (CO₂), methane a.k.a 'natural gas' (CH₄) and Hydrofluorocarbons (HFCs) used as refrigerants in cooling and heating equipment. Scape does not emit Nitrous Oxide (N₂O), Ozone (O₃), Chlorofluorocarbons (CFCs and HCFCs) or Perfluorocarbons (CF₄, C₂F₆, etc), Sulfur hexafluoride (SF₆) or Nitrogen trifluoride (NF₃).



ENVIRONMENT – OUR EARTH

Targets

- By 2030, achieve Net Zero Carbon for operational Scope 1,2 (EN15978 B1/B6) and material Scope 3 emissions (B7 - water and waste); including Climate Active Certification
- For developments initiated from 2024, design to allow for zero net carbon operation (Scope 1 and 2), i.e. all electric* and highly efficient, demonstrably exceeding minimum energy efficiency requirements in the National Construction Code (*No gas, but diesel generators permitted if required until batteries / biodiesel become cost-effective)

2023 Progress

Scope 1 and 2: In 2023, Scape's Scope 1 and 2 GHG emissions were 30,485 tCO₂eq absolute, and Scape's GHG emissions intensity was 66 kgCO₂eq/m² (the whole building's usage normalised by Gross Floor Area 'GFA'). This figure includes Scope 2 and Scope 1 gas emissions (GRI 305-4 GHG emissions intensity).

Note this figure includes CO₂e emissions associated with purchased electricity (Scope 2) as well as gas (Scope 1), but excludes Scope 1 emissions associated with refrigerants, as we are in the process of compiling a detailed refrigerant register.

Scope 2: Scape's GHG emissions from purchased electricity (Scope 2) in 2023 were 26,514tCO₂eq (metric tonnes of CO₂ equivalent). This figure includes electricity consumed in Scape's 34 operational assets (GRI 305-2 Energy indirect (Scope 2) GHG emissions).

Scope 1: Scape's direct (Scope 1) GHG emissions in 2023 were 3,971tCO₂eq (metric tons of CO₂ equivalent). Gases included in the calculation were CH₄ (methane / fossil gas). This figure includes gas consumed in Scape's 34 operational assets (GRI 305-1 Direct (Scope 1) GHG emissions).

The greenhouse gas (GHG) accounting conversion factors used to calculate Scope 1 and 2 emissions and basis of preparation was as follows:

- Scope 1: use the gas consumption data in kWh convert to GJ, multiply by the Scope 1 emissions factor for natural gas of 51.53 kg CO₂e/GJ. Emissions factor source is the Australian National Greenhouse Accounts Factors, published August 2023 by the Australian Government Department of Climate Change, Energy, the Environment and Water – Table 5 Direct (Scope 1) emission factors – table 5, row 1 “Natural gas distributed in a pipeline” which has a carbon factor of 51.53 kgCO₂e per GJ of gas consumed, i.e. natural gas, which is primarily methane, produces approximately 51.53 kilograms of CO₂ equivalent per gigajoule (GJ) of gas when burned.

- Scope 2: take the kWh consumption of electricity in each state multiplied by the Scope 2 emissions factor for each state (shown in the table below) to produce a kg of CO₂e figure for each state, then total the state emissions to produce the Scope 2 total CO₂ emissions. Multiply kg of CO₂e by 1,000 to produce total tonnes of CO₂e for Scope 2.

Scape 2023 Scope 2 CO ₂ e	kWh	Carbon factor kg/CO ₂ e/kWh	kg/CO ₂ e
NSW	8,640,377	0.68	5,875,456
QLD	9,413,059	0.73	6,871,533
SA	3,425,940	0.25	856,485
VIC	16,341,962	0.79	12,910,150
Total kg/ CO₂e	37,821,338		26,513,624
Total t/ CO₂e			26,514

Source: Australian National Greenhouse Accounts Factors, published August 2023 by the Australian Government Department of Climate Change, Energy, the Environment and Water – 2023 NGA Factors Workbook

ENVIRONMENT – OUR EARTH

In 2023, Scape's Scope 3 emissions were 3,944 tonnes of CO₂e (absolute), or 8.56 kg/CO₂e/m² GFA (whole building). Scope 3 emissions were calculated for operational CO₂e associated with water consumption, wastewater discharge and waste.

Waste generated was 2,769,186 kg in total in 2023. Using a conversion factor of 1.3 tonnes of CO₂e per tonne of waste, Scape's Scope 3 emissions associated with waste were 3,600 tonnes of CO₂e.

Water consumption total was 627,054 KL in 2023. State CO₂e factors for water vary. The following table shows the state-by-state water consumption, and emissions factor used.

Scape 2023 Scope 3 emissions from water consumption	Kilo Litres (1 KL = 1 m ³)	kg of CO ₂ e/KL of water	kg of CO ₂ e
VIC	91,507	0.23	21,046.61
QLD	185,661	0.19	35,275.59
NSW	219,448	0.19	41,695.12
SA	130,438	0.18	23,478.84
Total kg/ CO₂e			121,496.16

Scape's 2023 Scope 3 emissions associated with water consumption were 122 tonnes of CO₂e.

Wastewater discharged to sewer is calculated using a sewage discharge factor of 0.78. Total water consumption of 627,054 KL multiplied by 0.78 discharge factor gives an estimated wastewater volume of 489,102.9 KL of wastewater. Using a conversion factor of 0.45 kg of CO₂e per KL of wastewater, Scape's Scope 3 emissions associated with wastewater in 2023 were 223 tonnes of CO₂e.

In 2023, Scape made strong progress in our transition to zero carbon operation.

New buildings in Scape's pipeline are designed to be all-electric (no-gas). Our new development Scape Victoria Street is one of the first large-scale all-electric buildings to be delivered in Melbourne. The 25-storey student accommodation building has a full commercial kitchen catering for 530+ residents a day. There is no fossil gas in the building. A great example delivering today what the GBCA and "Global CookSafe Coalition" are working towards for all buildings - eliminating the negative climate change and health impacts of gas-fired equipment from our built environment.

Scape has also developed ESG metrics and targets to address our climate-related business risks.

Scape has budgeted for energy audits in 2024 that will identify a range of energy efficiency improvement opportunities. The commencement of the renewable electricity contract will also begin to reduce Scape's Scope 2 emissions during 2024.



ENVIRONMENT – OUR EARTH

ENERGY EFFICIENCY

Objective

Scape aims to improve the energy efficiency of its operational assets wherever technically and economically feasible, and to develop new buildings that substantially improve on the efficiency of our existing building stock.

Our aspiration is to achieve >20% improvement in building energy efficiency by 2030 (versus 2023 baseline) measured in kWh / m² GFA / annum (GRI 302-4 Reduction of energy consumption).

2023 Progress

In 2023, Scape established our baseline average energy consumption for the operational portfolio, and newly constructed buildings.

Scape's overall energy consumption is 59,228 MWh in total (electricity + gas). Scape's energy consumption is comprised of 21,407 MWh of Gas and 37,821 MWh of Electricity, i.e. 64% electricity v 36% gas (GRI 302-1 Energy consumption within the organisation).

Scape's average energy consumption for the operational portfolio in 2023 was 131 kWh/m²/annum. This figure is area-weighted with consumption averaged relative to GFA (GRI 302-3 Energy intensity).

Our average energy consumption for new buildings in their first year of operation was 123 kWh/m²/annum (GFA area-weighted). This figure relates to the following buildings:

- Scape Lincoln College, a 14,990 m² (GFA), 13 storey, 467 bed student accommodation tower in central Melbourne completed in 2022, with 2023 being its first full year of operation at post-COVID levels of occupancy consumed 1,898 MWh, which is 127 kWh/m²/annum;
- Scape Redfern, a 16,530m², 23 storey, 554 bed student accommodation tower in inner-city Sydney built in 2021, which had its first post-COVID 'normal' year of occupancy in 2023 consumed 1,592 MWh, which is 96 kWh/m²/annum
- Scape Franklin, a 48,688m², 54 storey, 941 bed student accommodation tower in central Melbourne completed in 2021, also with 2023 as its first year of normal occupancy in 2023 consumed 5,082 MWh, which is 133 kWh/m²/annum.

RENEWABLE ELECTRICITY PROCUREMENT

Objective

As part of Scape's efforts to eliminate Scope 2 emissions, we plan to switch to 100% renewable electricity contracts covering all operational assets by 2030 latest, with the aim of achieving this goal much earlier. Scape will purchase electricity through supply-linked renewable electricity contracts that also provide the Renewable Energy Certificates (RECs) known in Australia as LGCs (Large Generation Certificates) from a renewable generation facility associated with the electricity we procure. Once we enter the renewable electricity contracts, the associated LGCs will be voluntarily retired with the Clean Energy Regulator (CER) to demonstrate that the emissions reductions associated with our electricity use are genuinely additional.



ENVIRONMENT – OUR EARTH

2023 Progress

Our major ESG accomplishment in 2023 was that we started switching assets from fossil fuel power to clean electricity sourced from renewable generation facilities.

In Q3 2023, Scape tendered out our electricity contracts to the market, with the aim of finding an electricity retail partner that could support our transition to 100% renewable electricity. Eight electricity retailers submitted bids to supply Scape with renewable electricity.

In Q4 2023, Scape contracted with Iberdrola in a renewable electricity contract covering 30 operational assets in Victoria, NSW and Queensland, with the electricity supply linked to the 140MW Capital Wind farm near the NSW/ACT border. Iberdrola is the world's largest producer of wind power by volume and in Australia, Iberdrola is both a renewable energy generator and retailer.

The contract covers both purchase of electricity, and the associated renewable electricity generation certificates for every kWh consumed under the contract. They are not severable. 100% of the electricity consumed by Scape's operational assets, and supplied under this contract will be from certified renewable sources. In partnership

with Iberdrola, Scape will purchase both electricity and the associated Renewable Energy Certificates - known in Australia as RECs or LGCs (Large Generation Certificates) associated with the electricity we procure. LGCs are bought by Scape under the Iberdrola contract in proportion to electricity consumption. Under the supply-linked renewable electricity contract, Scape buys one LGCs for every one MWh (megawatt-hour) of electricity consumed by Scape. Linking our consumption to the voluntary surrender of RECs means that for every 1MWh Scape consumes, 1MWh of renewable generation (including the LGC certificates) is generated and the associated certificates are 'retired' to take them out of the electricity market by voluntarily surrendering them with the CER, a federal government body. LGCs are voluntarily retired with the CER to demonstrate that the renewable attributes of Scape's consumed electricity cannot be traded or claimed by anyone else. This website describes the process: Voluntary surrender ([cleanenergyregulator.gov.au](https://www.cleanenergyregulator.gov.au/OSR/REC/voluntary-surrender)) <https://www.cleanenergyregulator.gov.au/OSR/REC/voluntary-surrender>. By retiring the RECs we demonstrate that no green-house gas (GHG) also known as carbon emissions are associated with Scape's electricity consumption.

The quantity of LGCs is directly proportional to the electricity demand from Scape, entirely negating Scape's

Scope 2 emissions. 100% of the electricity we draw from the grid will be matched by the exactly equivalent amount of renewable electricity generation fed into the grid.

LGCs will not be used for 'offsetting' any Scope 1 or Scope 3 emissions categories. RECs are different from 'Carbon Offsets'. Offsets are where an emission has occurred (e.g. by burning gas or diesel), and a 'Carbon Credit' (e.g. for planting trees) is purchased to compensate for the original carbon emission. For example if 1 tonne of CO₂ is emitted by burning gas, 1 tonne of CO₂ abatement from tree planting might be bought to compensate. It's a 'net-zero emission' result: there was an emission, but it was compensated for by the Offset: +1 emission -1 offset = 0 net emissions. But that's not how REC's work. Renewable Energy Certificates (RECs) are different. By surrendering the REC, we demonstrate that no emission has occurred. There is no emission, so there is nothing to offset. The REC (in our case a Large Generation Certificate - LGC) validates that for 1MWh of electricity generated and consumed, no emissions have occurred. We buy 1 LGC for every 1MWh consumed. This demonstrates that for the electricity we consume, no carbon emissions were created from its generation. There is no emission to compensate for with an offset. That's why Scape voluntarily retire every LGC under the Iberdrola contract

through the Clean Energy Regulator's REC registry, demonstrating that the renewable electricity is a genuinely additional carbon emissions reduction, above and beyond the base level of renewable energy in the grid. Further information can be found here:

- Large-scale Generation Certificates: <https://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/Power-stations/Large-scale-generation-certificates>
- Iberdrola's generation assets: <https://www.iberdrola.com.au/for-customers/knowledge-centre/analyse-our-electricity-generation/>
- The specific generation source our electricity contract is linked to is Capital Wind Farm. Iberdrola Australia has more information about the wind farm here: <https://www.iberdrola.com.au/our-assets/owned-renewable-energy-assets/capital-wind-farm/>

Each existing Scape asset will switch to renewable electricity upon the expiry of its existing asset specific existing electricity contract. The first expiry date was in 2023, and the last will be in 2026.

Scape Merrivale was the first asset to switch to 100% renewable electricity on 1 December 2023. The result was that by the end of calendar 2023 approximately 3% of Scape's Core Fund assets were running on 100% renewable electricity.

The following Scape assets all switched to 100% renewable electricity at the end of Dec 2023:

- Scape Berkeley 1
- Scape Berkeley 2
- Scape Darling Square
- Scape Glebe
- Scape Melbourne Central
- Scape Quay
- Scape Queensberry
- Scape Redfern
- Scape Tribune
- Scape at University of Sydney

A specific clause in the renewable electricity contract allows for the incorporation of newly built properties into the contract as they become operational. This means that on completion, Scape's development of new buildings will be both efficient, all-electric, and run on 100% renewable electricity.

New construction project Scape Victoria Street also switched to the renewable electricity contract in Dec 2023.

From the beginning of 2024, about 1/4 of Scape's annual electricity demand will be supplied by 100% renewable electricity. We aim to supply approximately 60% of Scape's electricity demand from renewable sources by the end of 2024, and over 80% by the end of 2025.

ENVIRONMENT – OUR EARTH

ON-SITE RENEWABLES

Objective

Our objective is to incorporate cost-effective renewable electricity generation at Scape assets wherever it's feasible. Installing renewables is part of Scape's plan to reduce our Scope 1 and 2 GHG emissions. Scape will evaluate the feasibility of installing on-site renewables e.g. solar photovoltaic panels at all assets, both operational and new-build. We will measure the % of assets with renewable electricity generation systems, and review existing assets to identify opportunities for Solar PV by 2025, and install systems where feasible by 2027. For new developments initiated from 2024, we'll evaluate the feasibility of incorporating renewable electricity generation (e.g. roof top solar PV shade canopies above accessible roof top open / green space).

2023 Progress

Scape has already installed solar photovoltaic panels at several assets. The installations total over 250kWp in size cumulatively, and together on-site renewables generate approximately 1% of Scape's operational asset electricity consumption over the course of a year (GRI 302-1 Energy consumption within the organisation).

ALL ELECTRIC

Objective

Gas fired equipment for heating systems is Scape's largest Scope 1 emissions source. Over time, we aim to eliminate Scope 1 GHG emissions by phasing out fossil fuel use from all buildings. This will take time. As gas fired boilers come to the end of life, we'll evaluate the technical feasibility of replacing them with electric heat pumps.

We aim to convert all existing buildings to be fully electric at end of life of existing fossil fuel equipment by 2040. *Note: this involves removing all gas fired equipment including heating and domestic hot water and gas cooking from existing buildings; and carrying out capital works to replace all gas fired equipment with electric alternatives including heat pumps, induction stoves, electric BBQs etc.

From 2024, all new buildings will be all electric with no gas connection (*note: covers developments planned to commence concept design 2024 onwards; excludes those already in design or construction in 2023).

2023 Progress

During 2023, all new buildings in Scape's development pipeline are being designed and constructed to be fully electric. Scape's newest development in Melbourne, Scape Victoria Street, is one of the first large scale buildings in Melbourne with a full commercial kitchen to be delivered all-electric, with no gas cooking or heating equipment, significantly reducing Scope 1 carbon emissions.

REFRIGERANTS

Objective

Scape aims to phase out any legacy refrigerants with Ozone Depletion Potential (ODP) like R22 and in the longer term, to also phase out all high Global Warming Potential (GWP) refrigerants like R134a and R410A.

Refrigerant leakage from air conditioning equipment is a significant source of Scope 1 greenhouse gas emissions (GHG) from Scape properties.

While ozone depleting refrigerants - Chlorofluorocarbons (CFCs and HCFCs) - have been phased out in Australia; Hydrofluorocarbons (HFCs) which don't deplete the Ozone layer, but do contribute to global warming, are still in widespread use in cooling and heating equipment e.g. reverse cycle air conditioners.

In 2024, Scape will develop a refrigerant register to itemise all air conditioning and refrigerant equipment containing refrigerant gases, and record the type and amount of refrigerant to inform our Scope 1 emissions reporting.

As air conditioning equipment containing high ODP or GWP refrigerants reaches the end of its life, we'll explore replacing it with equipment using zero ODP and low GWP refrigerants such as Hydrofluoroolefins (HFOs) or CO₂ as the working refrigerant.

For developments initiated from 2026, new buildings will use only low GWP refrigerants e.g. HFOs.

PASSIVHAUS

Objective

As Scape is both a developer and long-term operator of real estate, we aim to build high quality buildings that will continue to perform over the long term in order to reduce operating costs and limit exposure to repairs and maintenance costs and capital works expenditure. We aim to find cost-effective ways to construct high-performance buildings which consistently deliver excellent comfort conditions, are free from the risk of mould and have exceptionally low energy consumption. PassivHaus is a proven methodology to achieve these outcomes, but remains relatively new to the Australian design and construction industry. Scape is working to identify practical, cost effective design and construction approaches that achieve PassivHaus performance criteria with details developed for the Australian climate.

Our aim is to test the feasibility of PassivHaus Certification at selected developments from 2023, with the goal of routinely and cost-effectively delivering PassivHaus developments as standard by 2030.

PassivHaus is a German best practice standard for achieving healthy, comfortable, energy efficient buildings, which typically deliver 90% lower energy consumption for heating and cooling, and can deliver 60%+ reductions in whole building energy use.

2023 Progress

Scape is exploring the feasibility of targeting PassivHaus Certification as part of selected new developments. During 2023, Scape developed a design for a new student accommodation tower that is testing the feasibility of PassivHaus Certification. During the concept design a business as usual (BAU) approach was tested against a PassivHaus design variant. The BAU design was already a 5 Star Green Star building. The PassivHaus design explored what changes would be required to achieve PassivHaus Certification, and what it would cost. The design study indicates that by pursuing PassivHaus design the building could dramatically lower energy consumption, even against a best practice 5 Star Green Star design. In addition the high performance building fabric would reduce cooling and heating requirements, resulting in smaller simpler services, taking up less plant space and yielding a greater number of bedrooms. This meant that the projected return on investment for the PassivHaus option was actually higher than for the business as usual design option.

ENVIRONMENT – OUR EARTH

EMBODIED CARBON

Objectives

Scape is committed to exploring ways to reduce the embodied carbon in the materials used in our new construction projects. We will consider both refinements to existing construction techniques i.e. concrete frames and metal cladding systems, as well as testing the feasibility of new methods i.e. mass timber frames and low carbon wall and cladding assemblies.

For developments initiated from 2025, we aim to target a >20% reduction in embodied 'upfront' carbon emissions (EN15978 stages A1-A3) versus a reference building for new construction projects. By 2030, we aspire to achieve >40% reduction in embodied 'upfront' carbon emissions and consider the use of structural timber, green concrete and other low-carbon design solutions to minimise embodied carbon and materials optimisation of structure and façade where feasible.

2023 Progress

Scape's development team conducted a study into the embodied carbon of two recent developments in Melbourne: Scape Franklin at 97 Franklin Street and Scape Swanston at 393 Swanston Street. The study measured the Upfront Embodied Carbon Emissions associated with the structure and facade of the two Scape Developments. One of the study's objectives was to equip Scape with benchmarks against which the environmental impact of future developments could be assessed and the associated emissions of varying elements and materials could be considered.

The global warming potential (GWP) associated with the building fabric including the structure, façade, internal walls and bathroom pod frames has been calculated* to be:

- 99 Franklin Street: 39,796,528 kgCO₂eq or 886 kgCO₂eq/m² GFA
- 393 Swanston Street: 18,245,559 kgCO₂eq or 782 kgCO₂eq/m² GFA

The Scape Franklin Street tower comprises a reinforced concrete structure with post tensioned upper floors and glazed curtain wall façade inclusive of aluminium back pans.

The Scape Swanston Street tower is also a reinforced concrete structure, integrated with precast columns and sheer walls with a precast concrete façade featuring boxed out windows.

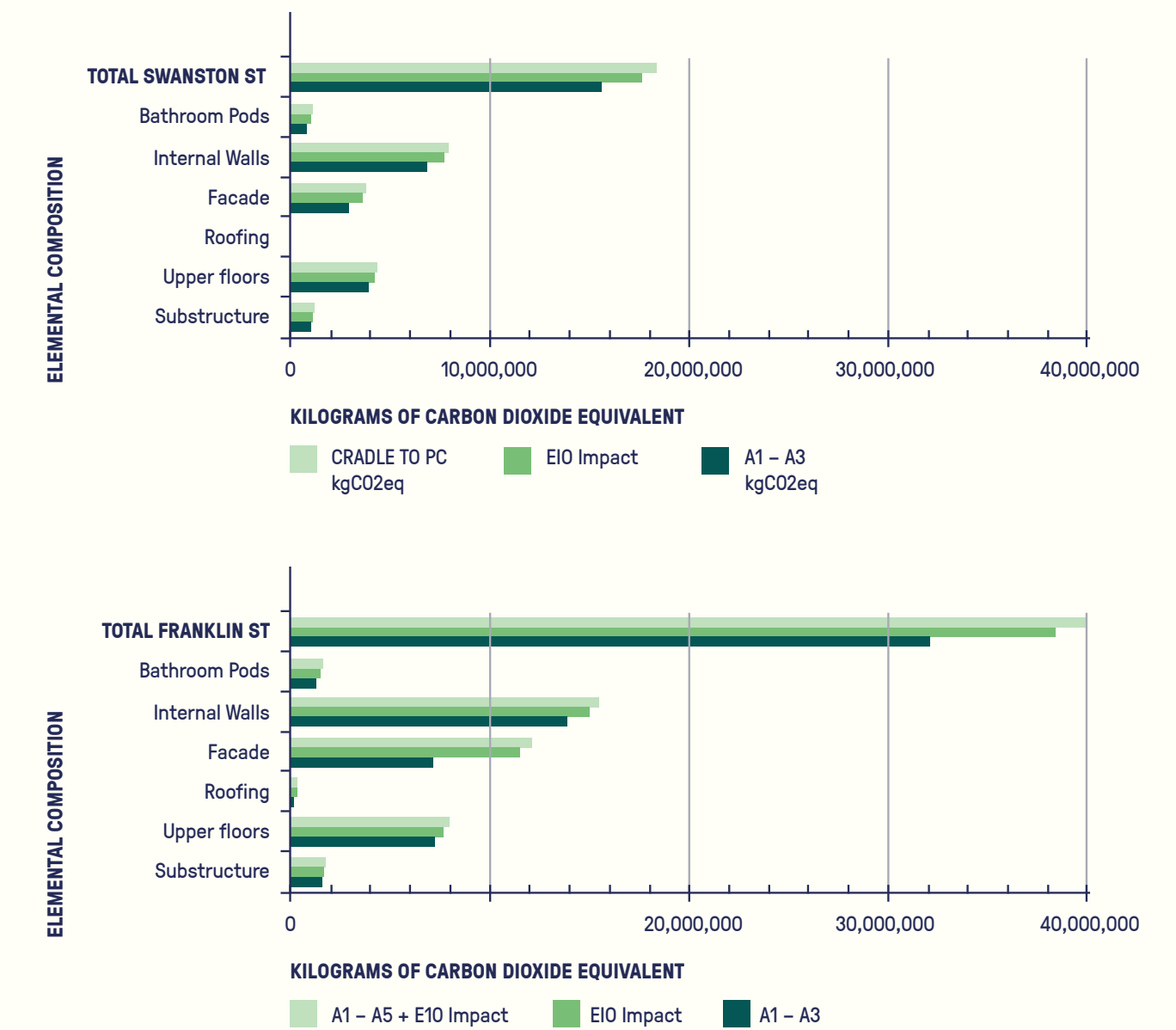
Unsurprisingly, the key 'embodied carbon hotspots' in both buildings related to aluminium, steel and concrete elements.

Comparing the two buildings – Scape Franklin has a curtain wall system, whereas Scape Swanston has a precast concrete façade. Franklin Street's curtain wall system was a large component of the overall upfront embodied carbon for that building and was higher embodied carbon than the precast concrete solution delivered at Swanston Street.

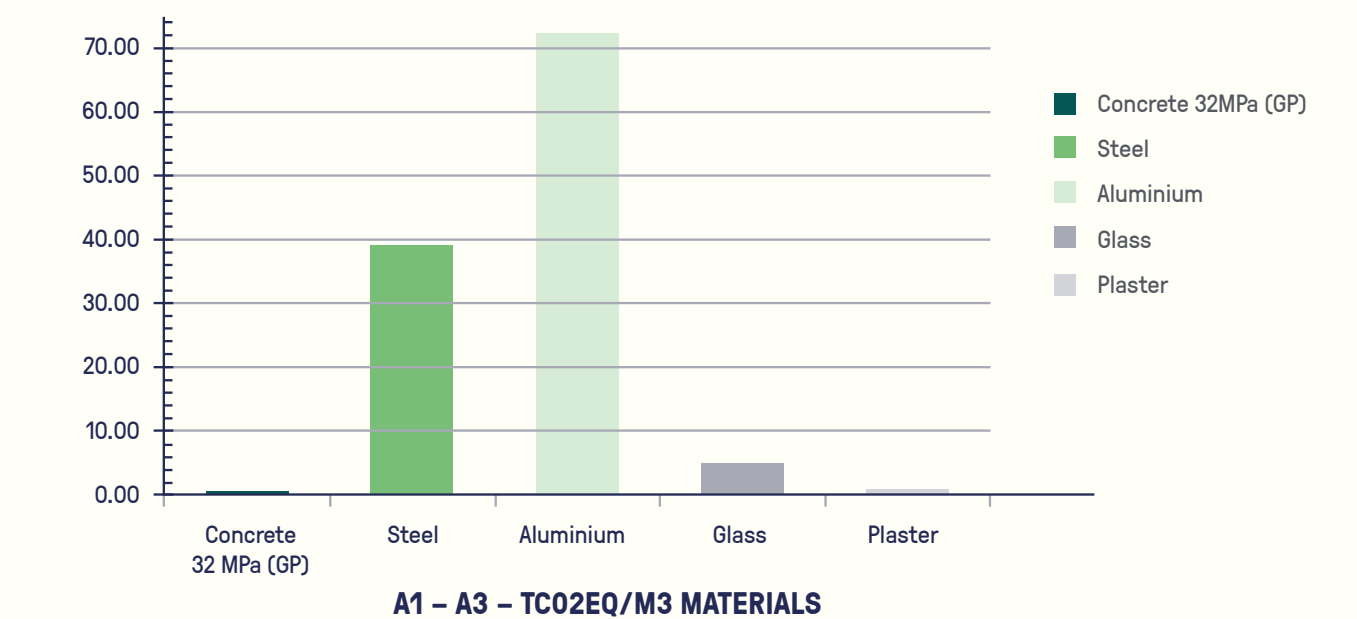
Scape Franklin's aluminium and steel curtain wall façade system was calculated to have 464 kgCO₂eq per m² of façade area; whereas Scape Swanston's precast concrete façade had 283 kgCO₂eq per m² of façade area.

The difference between the primarily metal and glass façade of Franklin was 64% higher embodied carbon per m² of façade area than Scape Swanston's predominantly precast concrete external wall system.

Interestingly, in both buildings, internal walls had a higher elemental embodied carbon than the façade, floors and structure (see graph of elemental embodied carbon).



The below table demonstrates the varying emissions produced by the same quantity of key materials integrated within Scape Developments



*Study covers A1-A5 emissions as defined in EN15978 stages that includes upfront embodied carbon in demolished materials and construction materials (A1-A3), as well as materials transport to site and construction stage emissions (A4-A5).

ENVIRONMENT – OUR EARTH

CRREM

Scape understands our investors' desire to benchmark our assets energy and emissions performance, and we are committed to transparently disclosing our performance and comparing our buildings to relevant energy efficiency and carbon emissions benchmarks. Some of Scape's investors have requested that we refer to the 'Carbon Risk Real Estate Monitor' (CRREM) kWh and CO₂e benchmarks, and report on Scape's operational assets and targets for new buildings with reference to CRREM.

Scape has engaged with and analysed CRREM, which is essentially a table of kWh/m² and CO₂e/m² targets that vary for different countries and building types.

The section of CRREM that is most relevant to Scape are the residential multi-family benchmarks. However, there is no student accommodation asset class in CRREM, so the benchmarks are at best a proxy based on analogy to residential apartment buildings. Notwithstanding this, Scape has evaluated the 1.5 degree C pathway with a focus on the kWh/m² benchmarks.

Comparing the kWh/m² multi-family residential targets for various countries reveals vast discrepancies in the expected start and end points of the CRREM decarbonisation trajectory that vary hugely by climate zone.

From the limited example provided by the CRREM kWh/m²/annum targets extracted below (from CRREM V2.02 1.5 kWh tab), it can be seen that CRREM provides substantially higher kWh/m²

allowances for cold climates (e.g. France and Canada), and much lower energy budgets for hot and humid countries (e.g. Australia and Singapore).

The numeric targets for Australia and other warmer climate international jurisdictions such as Singapore, Hong Kong and New Zealand are vastly lower, compared to the allowances made for colder climate jurisdictions. For example France has a kWh/m² allowance in 2025 of more than 2.5 times the allowance for residential buildings in Singapore (121 versus 48 kWh/m²); and Canada has an allowance in 2035 (of 70kWh/m²) that is more than 1.75 times more than for Australia, Hong Kong, Malaysia and Indonesia (all at 40 kWh/m²/annum in 2035 for multi-family residential buildings).

Air conditioning and dehumidification in warm climates are an essential building feature in the Asia-Pacific built environment, both now, and even more so in a future warming world. Cooling and dehumidification require equivalent if not more energy per m² than heating, with cooling demand increasing over time with climate change, whereas heating requirements are projected to decline over time as the world warms. However, the energy intensive nature of cooling and dehumidification relative to heating does not appear to be recognised in the CRREM energy intensity targets. While the concept of kWh efficiency and CO₂ decarbonisation

trajectories is laudable, the methodology CRREM uses appears to be flawed, particularly as it relates to the energy efficiency budgets for warm climates compared to cold climates—meaning that the numbers it produces should not be relied on as benchmarks in our region.

Based on our analysis, the residential CRREM targets do not appear to be based on a sufficiently robust evidence base of realistic energy efficiency targets to be fairly used as an energy efficiency benchmark, nor as a basis for categorising an asset as 'stranded' in Australia or the Asia-Pacific region, and it lacks a relevant benchmark for the student accommodation asset class, so cannot be used by Scape as a valid benchmark at this stage.

Scape is in the process of ingesting our utility data into the Deepki ESG data software platform, which has a CRREM module, that will allow Scape to compare the performance of our assets versus the CRREM decarbonisation pathways, notwithstanding the comments above. Therefore, Scape will be in a position to report on and discuss Scape's decarbonisation pathways with reference to the CRREM tool with our investors albeit with the qualification that the energy intensity metrics are not yet considered appropriate for the Australian region.

In contrast to CRREM, PassivHaus is a proven methodology for deep emissions reductions and dramatic energy efficiency improvements, is globally applicable to all building types and climate zones, and has consistent end goals across regions for kWh/m² total primary whole building energy consumption. PassivHaus is also based on empirically-sound, well-researched and proven building physics. Scape considers PassivHaus Certification to be a more relevant benchmark for decarbonisation of real estate than CRREM. In PassivHaus all building types in all climate zones are required to achieve 60 kWh/m²/annum for Classic certification, or 45 for PassivHaus Plus, or 30 for PassivHaus Premium. These targets are much simpler than the highly variable kWh targets of CRREM, and the PassivHaus targets are universally applicable based on over 30 years of best practice building science, tried and tested in tens of thousands of buildings around the world. Compared to CRREM, PassivHaus represents a more well-founded decarbonisation trajectory, that include all the design tools and construction techniques required to actually design and construct low-carbon buildings.

CLIMATE CHANGE SCENARIOS AND RISK ASSESSMENT

Objective

Scape is committed to evaluating climate-related risks to our portfolio. In our analysis of climate-related risks, Scape considers both physical risks to assets (including both acute risks like storms or floods as well as chronic risks from heatwaves, droughts, or sea level rise); as well as risks associated with the inevitable transition to a low-carbon economy, encompassing risks associated with changing market expectations that impact valuations and rents, the risk of rapidly changing policy and regulatory requirements to decarbonise, reputational risk and technology risk.

2023 Progress

Scape has considered the potential risks associated with the inevitable transition to a zero carbon economy and has mitigated our exposure to this type of risk by taking a leadership position and voluntarily decarbonising well ahead of regulation, consistent with a 1.5 deg C transition scenario. By adopting a zero net carbon by 2030 target for Scope 1 and 2 emissions, and relevant Scope 3 emissions, by undertaking 5 Star Green Star ratings for all new developments, and

The CRREM targets for multi-family residential energy consumption	Australia	Singapore	France	Canada
2025	80	48	121	91
2030	57	45	86	70
2035	40	45	61	70
2040	40	45	50	70

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exploring the feasibility of PassivHaus Certification as part of selected new developments, we are working on future proofing our existing buildings and development pipeline against anticipated future regulatory changes, and designing them to be fit for the future climate in which they will operate in.

In regard to climate change adaptation risk, in 2023, Scape undertook asset-level climate change risk analysis against a low range scenario and a high range scenario, considering predicted impacts for 2050 and 2090 timescales. We undertook a detailed investigation into flood risk, drawing on a range of resources provided by both state and local government bodies. This review was aimed at understanding each asset's vulnerability to flooding, encompassing both a 1% Annual Exceedance Probability (AEP) event, often referred to as a 1 in a 100-year flood, as well as a Probable Maximum Flood (PMF) event. These assessments collectively provide a strong understanding of the potential risks posed by flooding events of varying severity at the property boundary level for each Scape operational asset and development site.

Scape used the Climate Measurement Standards Initiative (CMSI) "Scenario analysis of climate-related physical risk for buildings and infrastructure: climate

science guide" and the Addendum to Climate Science Guidance incorporating the implications of the IPCC's 6th Assessment Report as the basis of scenarios used for the evaluation of the Scape portfolio's exposure to transition and physical climate risk. The review was undertaken following the AS5334 framework.

Scape's asset-specific climate risk analysis identified the level of climate risk (high-med-low) for each key impact category (flooding, storms, heatwaves, bushfires) at the property level. The low emissions scenario is based on a range of outcomes consistent with the IPCC AR6 SSP1-2.6 (1.3-2.4 deg C by 2100) which is similar to the AR5 RCP2.6 (0.9-2.3 dec C by 2100). The high range scenario is equivalent to AR6 SSP5-8.5 (3.3-5.7 deg C by 2100) which is similar to the previous AR5 RCP8.5 (3.2-5.4 dec C by 2100) scenario.

Scape's climate risk assessment study will inform our planning for future climate change adaptation and risk mitigation initiatives, ultimately informing decision making about when risk mitigation measures should be implemented, and at what cost.

At a practical level, in 2023 Scape provided operational team members with training regarding flood risk and water damage, including what to do

when faced with a flood or leak in a multistorey building, and how to plan and prepare for water related damage. 48 participants among our operations and facilities management teams attended.

TCFD / IFRS ISSB S1 AND S2 REPORTING

Scape is committed to implementing the recommendations of the June 2017 Task-force on Climate-related Financial Disclosures (TCFD) and the superseding work of the International Sustainability Standards Board's (ISSB) IFRS (International Financial Reporting Standards) Sustainability Disclosure Standards (IFRS SDS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and the IFRS S2 Climate-related Disclosures published in June 2023.

Scape's General Manager of ESG (GM ESG) monitors climate risk factors and opportunities, incorporating appropriate targets and initiatives into the ESG strategy and our Risk Management system. The GM ESG has conducted a review of business climate-related risks and opportunities, including risk mitigation strategies and metrics, targets and performance using the Task Force on Climate Related Financial Disclosures (TCFD) addressing Table A1.1 and A1.2 of

TCFD Annex (2021). Identifying climate-related risks and opportunities, potential financial impacts on the business, evaluation of the Likelihood, Significance and Risk (low, med, high) and the timeframe of each identified risk or opportunity, linked to the metrics and targets Scape will use to monitor performance improvement over time.

Scape has conducted a review of climate-related risks and opportunities, identifying high level potential financial impacts on the business and this analysis evaluates the likelihood, significance, risk, and timeframe for a wide range of climate-related risks aligned with the recommendations of the Task-force on Climate-related Financial Disclosures (TCFD) addressing Tables A1.1 and A1.2 of the TCFD Annex (2021). Scape's analysis considers the key TCFD related risk and opportunity categories, i.e.: policy and legal risk, including transition and adaptation policy; litigation risk; technology risk; market risk; reputation risk; physical risks including acute (extreme weather impacts, floods, bushfires, cyclones) and chronic (heatwaves, drought, sea level rise) hazards; as well as climate related business opportunities.

WASTE MINIMISATION AND CIRCULAR ECONOMY

OPERATIONAL WASTE COLLECTION

Objective

Scape aims to minimise total waste volume sent to landfill and continuously improve the proportion of waste (by weight) diverted from landfill, with the target to achieve >80% diversion by end of 2030.

2023 Progress

The total amount of waste generated within all Scape buildings in the 2023 calendar year was 2,769,186kg or 2,769 tonnes (GRI 306-3 Waste generated), and of this, 76% was sent to landfill (GRI 306-5 Waste directed to disposal).

Scape's average recycling rate for the 2023 calendar year was 24% i.e. 662,579kg or 662 tonnes of recycling (GRI 306-4 Waste diverted from disposal).

Scape's 2023 waste intensity was 6.01kg of total waste (including landfill plus recycling) (gap filled), per m² (area weighted).

Scape has an ongoing program focused on reducing the total volume of waste sent to landfill, and increasing the proportion of material that is reused or recycled. The primary activities that generate waste are the day-to-day waste and recycling generated by Scape's residents, as well as demolition and construction waste on new build projects – both of which Scape is able to influence, but not operationally control (GRI 306-1 Waste generation and significant waste-related impacts).

Scape takes a variety of actions to prevent waste generation and manage significant impacts from waste generated. These include signage on waste chutes and bin rooms providing instruction on material that can be recycled versus disposed of to landfill, education campaigns, water refill stations to avoid single-use plastic bottles and our choice of waste contractor partners who collect and ultimately dispose of or recycle operational waste from Scape's buildings. Scape periodically reviews waste contractor arrangements to determine whether they are managing the waste in line with contractual and legislative obligations. Waste data in 2023 was gathered from waste contractors via invoice data (GRI 306-2 Management of significant waste-related impacts).

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SMART RECYCLING BINS

Objective

In order to increase our recycling rate, we aim to collect bottles and cans eligible for government rebates through various container deposit schemes as a clean, segregated waste stream by installing 'smart bins' at all properties.

The Container Deposit Scheme (CDS) is a recycling scheme known by various names in each Australian State—such as 'Return and Earn' in NSW and 'Containers for Change' in Queensland. These programs provide a 10c refund for recycling eligible bottles, cans, and cartons.

In Scape's Queensland (QLD) properties several 'Reverse Vending Machines' have been installed to collect bottles and cans eligible for the 'Return and Earn' scheme, with the 10-cent refund per bottle/can being donated to various charities.

In 2022, a total of 11,147 containers were collected using reverse vending machines at Scape QLD properties. This resulted in approximately 700kg's of material being diverted from landfill and recycled and \$1,100 being raised for charity. In 2023 the number of containers recycled rose to 30,350. This raised \$3,050 for charity and diverted an estimated 1.8 tonnes of

material from landfill (based on an average figure of 6.2g per container).

Q1 2023, Scape installed a pilot 'Charopy' smart recycling bin at Scape Redfern in Sydney to collect refundable bottles and cans with proceeds donated to charity. In 2023 this recycling bin collected and recycled 1860 containers diverting 130kg from landfill. The funds collected from this scheme were donated to Sydney based organisation Revolve Recycling's initiative to take recycled and restored bikes to remote outback communities. Revolve Recycling restore donated children's bikes and take them to aboriginal communities where they are used as an incentive to increase school participation

Plans are in place to extend the CDS recycling initiative to other Scape properties in NSW and Victoria in 2024.

eWASTE AND BATTERY COLLECTION

Objective

Scape aims to collect certain non-recyclable waste streams separately in order to avoid materials like electronic waste ending up in landfill.

In Oct 2022 Scape became a participant in the Federal Government Battery Stewardship program, which involved placing 120L eWaste recycling bins at selected Scape buildings and 10L battery recycling tubes in front of house areas at all Scape properties. E-cigarette recycling has now been included as part of this program.

In 2023 102kg of batteries were recycled from Scape Sydney and Adelaide properties and an additional 379kg of e-Waste was recycled from Melbourne assets 2023.

RESIDENT DONATIONS FOR REUSE WITHIN SCAPE BUILDINGS BY INCOMING RESIDENTS

Objective

Scape encourage departing residents to donate unwanted but still working or useful items to incoming residents for re-use.

2023 Progress

In Q4 2023 Scape provided 'sustainability stations' – tables to collect student donations – at several NSW Scape assets to encourage departing residents to donate useful items such as crockery, cooking

utensils and appliances to incoming residents. This initiative has been well received by new residents and has provided a fantastic opportunity for functional and clean items to be reused within Scape properties. This initiative will be expanded across the portfolio in 2024.

RESIDENT DONATIONS FOR REUSE AND RECYCLING OUTSIDE SCAPE BUILDINGS

Objective

Scape aims to partner with selected not-for-profit partners to donate unwanted items for reuse in the broader community.

2023 Progress

In 2023, Scape continued to collect unwanted items that would otherwise have ended up in landfill and donated them for reuse or recycling to our charitable partners including Red Nose Australia, the Salvation Army, St Vincent de Paul, MissionBeat, Treasure Box and Revolve Recycling.

Red Nose

Since May 2022, Scape has partnered with Red Nose to reuse and recycle unwanted clothes, eWaste, furniture,

crockery, and cooking equipment donated by outgoing residents. Since inception of this collaboration over 31.7 Tonnes of donations have been recycled across all Scape properties. Red Nose Australia redistribute or recycle items donated by Scape's residents.

In 2022, approximately 12 tonnes of material was collected from Scape properties consisting primarily of textiles (60.6%) homewares (18.5%), furniture (10%) and electrical appliances (8.2%).

In 2023, Scape and Red Nose collected 19.7 Tonnes of reusable material, with textiles making up approximately 80%.

An additional 1.78 Tonnes of clothing was donated to The Salvation Army and St Vincent de Paul from NSW properties.

Scape also collected unwanted bedding from outgoing residents, diverting over 250kg of textiles from landfill by donating them to charities including Treasure Box in SA and Mission Beat and BaptistCare in NSW.

In partnership with Revolve Recycling Scape donated 19 discarded bicycles to charity. More information here: <https://revolverecycling.net/>

CIRCULAR ECONOMY / REUSE WITHIN SCAPE BUILDINGS

Objective

Scape aim to pilot and scale up circular economy initiatives that collect recyclable materials for re-manufacture into products that can be used in Scape's buildings.

2023 Progress

Recycled Plastic Tables and Clothes Knobs

Scape collected type 2 (HDPE) plastic from Q2 2023 across select NSW properties. This plastic is melted into 100% recycled plastic sheets by a local manufacturer and then made into products for Scape's new developments. These products will be returned to the manufacturer to be recycled again at end-of-life. Tables for the communal space at new development Scape Leicester have been produced. Clothes knobs for student rooms and tables for communal spaces are also being made for new development Scape Kingsford. Projects in the pipeline to date have diverted 285kg of post-consumer waste from landfill (GRI 301-2 Recycled input materials used and 301-3 Reclaimed products and their packaging materials).

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Green Ceramics

Since 2020, Scape has been collaborating with the University of New South Wales (UNSW) Sustainable Materials Research and Technology (SMaRT@UNSW) and Kandui Technologies to convert used mattress protectors into ceramic tiles made out of the re-processed textile fibres and other recycled content, primarily recycled glass collected by Nowra City Council. The plastic backing on Scape's used mattress protectors means there is currently no other way of recycling them. However, the Kandui 'microfactorie' can take this used textile waste as an input into the production of new ceramic tile products made from the recycled content. The ceramics are predominantly used as floor and wall tiles and will be used as a shelf (touchdown) in new Scape developments. 552 touchdowns have already been manufactured for Scape Leicester and Scape Kingsford and a further 570 will be produced for Scape's Kensington and Lachlan. Each touchdown incorporates approximately 2 mattress protectors therefore to date 2390 mattress protectors (approximately 2.3 tonnes) of textile waste) have been saved from landfill (GRI 301-2 Recycled input materials used and 301-3 Reclaimed products and their packaging materials).

Scape is working with these partners to evolve the ceramic tile product to include recycled content generated from used pillows left behind by students as well as tumble dryer lint from the laundries of Scape buildings. We are also collecting glass from buildings being demolished by Scape to include in new products.

Further information:

<https://www.smart.unsw.edu.au/technologies-products/microfactorie-technologies/green-ceramics>
<https://www.kandui.com.au/>

FOOD WASTE

Objective

Scape aim to collect unwanted non-perishable food items from outgoing residents to be donated to those in need.

2023 Progress

Scape are supporting OzHarvest who operate markets that provide free food to any person in need. Scape collects unopened non-perishable food donated by out-going students and gives it to OzHarvest's market in Waterloo. This initiative was introduced at select Scape Sydney properties in 2023 and will be extended to all

Sydney Scape properties in 2024. During 2023 over 105kg of food was donated to OzHarvest.

Further information:

<https://www.ozharvest.org>

CONSTRUCTION WASTE AND RECYCLING

Objective

Scape aims to minimise construction waste and continually improve the recycling rate achieved on our construction projects.

2023 Progress

Scape requires our building contractor partners to report on demolition and construction waste at all new development projects. We gather monthly waste statistics including the recycling rate achieved. Typical waste types diverted from landfill are concrete, bricks and rubble, ferrous metal, non-ferrous metal, timber and other recyclable waste.

Construction Project Waste and diversion	Tonnes of waste generated	Percent of waste recycled in 2023
Scape Kingsford	1,887	93.70%
Scape Leicester	494	91.48%
Scape Victoria	6,948	90.23%

WATER

WATER CONSUMPTION

Objective

Scape aims to minimise water consumption by installing water efficient fixtures, fittings and control systems, including leak detection; as well as educating residents on efficient water use behaviours.

2023 Progress

Total water consumption across all Scape properties was 635,281KL in the 2023 calendar year (GRI 303-5 Water consumption).

Scape's 2023 water intensity was 1.37 KL/m² (which includes 50.3% actual invoiced data, gap-filled with estimates for the remaining missing data; using a total water consumption of 635,281 KL and a Total GFA of 506,528m²).

Water audits will be conducted in 2024 to identify water efficiency improvement opportunities, which will be entered into the ESG data platform. Initiatives to reduce water consumption such as retrofit of flow restrictors on taps, showers, and dual flush toilets likely to be the more practical and cost-effective opportunities on operational assets. Retrofit of rainwater tanks at existing assets will be investigated as part of water audits planned for 2024, but likely spatial and technical constraints may make this impractical or unfeasible.

In all Australian cities and Scape properties, the tap water is safe to drink. Scape's primary use of water is by our residents for showering, laundry, toilets, hand washing and drinking water.

In Sydney, fresh high quality drinking water is supplied by Sydney Water with about 80% coming from the Warragamba Dam, with the rest coming from a mix of other dams, the Hawkesbury-Nepean River and the Sydney Desalination Plant at Kurnell.

In Melbourne, Melbourne Water supplies safe and reliable drinking-quality water from water treatment plants, water storage reservoirs, tanks and basins all connected via approximately 1,100 km of aqueducts and underground water mains.

In Brisbane, the water supply primarily originates from a collection of dams located within the South East Queensland (SEQ) Water Grid at Wivenhoe, Somerset, North Pine, Hinze, Baroon Pocket, Leslie Harrison, Ewen Maddock, Cooloolabin, Sideling Creek, Lake Macdonald, Little Nerang and Wappa. When rain falls in the catchment areas, it accumulates in which is these dams, and is piped to water treatment plants for distribution to buildings. Some is sourced from a desalination plant.

In Adelaide, the River Murray is the main source of water, supplemented by desalination which can now provide up to 50% of Adelaide's water needs, even when there is no rain (GRI 303-1 Interactions with water as a shared resource).

Stormwater and sewage discharge is regulated in Australia and the key measure to protect water quality is the use of grease traps on retail tenancies to prevent any food waste e.g. cooking oil from being discharged into the

ENVIRONMENT – OUR EARTH

sewer, which must adhere to Australian Standard 1657 for safe access to inspect and maintain the grease trap. Grease traps are typically installed below a sink in small restaurants and are designed to hold wastewater for a period of time to allow oil and grease to separate from the liquid and rise to the top of the grease trap. Cleaner wastewater underneath the fat layer then flows to the sewer (GRI 303-2 Management of water discharge-related impacts).

Water discharge is typically approximated by water authorities as a percentage of the metered potable water supplied to the property, e.g. Sydney Water's default sewerage usage discharge factor for non-residential properties is 78% (GRI 303-4 Water discharge).

Scape does not make any direct water withdrawals e.g. from bores, but rather all water is sourced from mains potable water supplies (GRI 303-3 Water withdrawal).

BIODIVERSITY

Australia is home to a wealth of biodiverse species found nowhere else on the planet. Unfortunately, many of these unique species and ecosystems face threats stemming from habitat destruction and the impacts of climate change.

BEES

Objective

Our aim is to find appropriate opportunities across the portfolio to install vegetation and habitats that support native species and pollinators.

2023 Progress

Scape hosts honey bee hives and native bee hotels at several Scape assets.

Native Bee Hotels

In 2023, volunteers at the Scape Peel Men's Shed built a series of native bee hives for installation at Scape properties. The Peter Mac Men's Shed is a wood-working and creative space located at Scape Peel in North Melbourne. The Men's Shed is the first of its kind in a Victorian hospital precinct offering patients and their families a safe and supportive environment to learn new skills while building meaningful connections, contributing to the community and improving overall health and wellbeing.

In 2023 one of the native bee habitats made at Scape Peel was installed at Scape Lincoln College in Melbourne, another bee habitat was installed at Scape Waymouth in Adelaide and another at Scape South Bank in Brisbane. Scape's bee hotels provide

a safe habitat for solitary bee species native to Australia, helping to promote biodiversity in our local environments.

In contrast to honey bees and native Australian Stingless Bees, which are social and live in large colonies, 99% of Australia's 1,700 native bee species are not social. Many varieties of these native bees such as solitary bee varieties like the Blue Banded Bee or Leafcutter Bee live all alone in individual nests in small holes or in the ground, and will likely use a bee hotel. These species do not produce honey but they are great pollinators and fascinating to watch.

Honey Bees

Several Scape buildings host honey bee hives. In addition to honey, other products produced from Scape beehives including a lip balm and bees wax wraps.

In 2021 four beehives were installed at Scape Redfern in Sydney, managed by The Urban Beehive. In 2023 we planted native plants near the hives as a food source. Over 170kg of honey was harvested in summer of 2023/24. Harvested beeswax has been crafted into scented balms and students have been able to participate in lip balm-making workshops utilizing Scape bees wax.

In Brisbane, four honey bee hives were installed at Scape Southbank in 2022 which are managed by Gary's Honey. The inaugural harvest of beehives at Scape South Bank in Q4 2022 yielded 73.5kg of honey. In the summer of 2023/24 over 200kg of honey was harvested at Scape South Bank. During the second quarter of 2023, a beekeeping information session was organized for students at Scape South Bank led by our resident beekeeper. This event offered residents a firsthand experience in understanding the maintenance of Scape's beehives. Participants gained insights into the pivotal role bees play in maintaining our ecosystem's health. Additionally, at Scape Toowong, Scape hosted an interactive session focused on crafting beeswax wraps. The wax utilized in this session was sourced directly from Scape's own beehives. These initiatives not only provide valuable learning experiences but also underscore our dedication to biodiversity and preserving the natural environment.

In Adelaide, Scape University of Adelaide (UoA) has four hives are managed in partnership with Adelaide Honey Farms. In February 2023 approximately 20kg of honey was produced, and in late 2023 a further 27kg of honey was harvested at Scape UoA.

In Melbourne four hives were installed at Scape Lincoln College in partnership with Melbourne Rooftop Honey in 2022. Honey produced from Scape's hives is included as a part of the breakfast offering at Scape Lincoln College. Scape honey is also used as part of our food service from the Scape buildings with commercial kitchens that produce meal services, including Scape Darling House and Scape Victoria Street. In Q1 2023 a webpage was developed to showcase this initiative—further detail here: <https://www.scape.com.au/scape-bees/>

Scape does not have significant direct impacts on biodiversity, as all our operational properties are in dense inner city, previously developed sites. Where possible we incorporate planter beds in landscaped areas. Indirect impacts on biodiversity may arise from Scape's operational or construction supply chain, but these have not yet been mapped or quantified (GRI 304-2 Significant impacts of activities, products and services on biodiversity). Scape is not aware of any location of existing buildings or planned developments that directly affect any endangered species (GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations). Scape has a target to incorporate native plants in all its landscaping

by 2025, and establish a Scape Conservation Reserve (>GFA) by 2027. Through these initiatives, we hope to meaningfully contribute to habitat conservation and restoration in support of vulnerable native Australian plant and animal species.

In 2024 we aim to create a register of landscaped planted areas, identify opportunities to improve biodiversity outcomes through the habitats at our buildings, and begin investigation and business case development for the acquisition or funding for the creation or augmentation of a conservation reserve (GRI 304-3 Habitats protected or restored).

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TRANSPORT

WALKING AND CYCLING

Objective

Scape aims for all our student accommodation buildings to be amenable to walking and cycling, and located within convenient walking distance to public transport.

2023 Progress

The Scape website showcases the property attributes of each building, with individual web pages for each asset which include details on how to get to the nearest public transport stops and walking distance to surrounding amenities, as well as describing the shops and other attractions close to each building. Scape provide these comprehensive maps detailing pedestrian and cyclist routes in the vicinity of each building, complete with local hotspots and amenities to empower our residents to make eco-conscious choices and embrace alternative forms of transportation. With these maps we hope our residents will explore local cafes, parks, and transportation hubs conveniently located near our properties, enriching their overall living experience at Scape.

In 2023, Scape mapped the distance from each building to the nearest train or tram stop. The average distance from a Scape building to the nearest train or tram stop is under 300m walking distance—a 2 to 5 minute walk.

In 2023, Scape also assessed the location of each building in the portfolio using the WalkScore and TransitScore rating tool by the Walk Score organisation. WalkScore's mission is to promote walkable neighborhoods, which are one of the simplest solutions for the environment and occupant health. WalkScore aims to make it easy for people to evaluate walkability and transportation when choosing where to live.

Further information: <https://www.walkscore.com/>

Scape's average WalkScore across the portfolio including both Scape's operational and development assets is 80/100. Seven Scape assets score a perfect 100 for Walkability, and two-thirds of assets score >90, classifying them as a 'walker's paradise' where daily errands do not require a car.

WALK SCORE LEGEND

- 90–100 Walker's Paradise:** Daily errands do not require a car.
- 70–89 Very Walkable:** Most errands can be accomplished on foot.
- 50–69 Somewhat Walkable:** Some errands can be accomplished on foot.
- 25–49 Car-Dependent:** Most errands require a car.
- 0–24 Car-Dependent:** Almost all errands require a car.

Scape's average TransitScore across the portfolio is 96/100. 80% of Scape assets score a perfect 100 for public transport accessibility, with 85% of assets scoring >90, classifying them as a 'rider's paradise' with access to world-class public transportation.

TRANSIT SCORE LEGEND

- 90–100 Rider's Paradise:** World-class public transportation.
- 70–89 Excellent Transit:** Transit is convenient for most trips.
- 50–69 Good Transit:** Many nearby public transportation options.
- 25–49 Some Transit:** A few nearby public transportation options.
- 0–24 Minimal Transit:** It is possible to get on a bus.

ELECTRIC VEHICLE FLEET

Objective

Scape's target is that all new fleet vehicles will be electric.

2023 Progress

In 2023 Scape purchased a fleet of six electric vans for use by operations staff across precincts of buildings in Adelaide, Melbourne, Sydney and Brisbane. EV chargers are being installed in Q1 2024, which will charge the EVs.





SOCIAL IMPACT

Our Neighbourhood

SOCIAL IMPACT – OUR NEIGHBOURHOOD

The material environmental themes Scape focuses on are:

- Resident safety, health, wellbeing, inclusion and awareness raising
- Accommodation scholarships for charitable partners
- Community impact
- Procurement

RESIDENT SAFETY, HEALTH, WELLBEING, INCLUSION AND AWARENESS RAISING

Scape's safety and security measures provide our residents with continuous assistance for maintenance requests, emergencies, and general inquiries, as well as promoting safety and wellbeing. Scape's safety and wellbeing measures include prevention strategies, rapid response, liaison with government services, and stakeholder management.

SCAPE SAFE HUB – CCTV AND SECURITY

Objective

Scape aims to implement consistent minimum standards for resident safety, health, wellbeing and customer experience including effective access control, security technology, security patrols and incident response across all our properties. We aim to foster peace of mind and a sense of community for residents and our property teams. Scape has a proactive and preventative approach to safety and security, with a focus on preventing incidents while effectively responding to and managing incidents when they do occur.

Scape has committed to delivering a unique solution to student safety, wellbeing and experiences called the 'Scape Safe Hub'. The Scape Safe Hub aims to provide a comprehensive security solution, enhance resident wellbeing and deliver care and support for our residents and staff. We implement leading edge safety and security technology combined with specialist expertise including a team of experts in security, welfare, and logistics.

2023 Progress

In 2023, Scape developed a new approach called the Scape Safe Hub as the point of escalation for all incidents across Scape's 34 properties. This change to our process aims to streamline our operations while delivering consistent, high-quality service across all locations, regardless of time of day or the complexity of the issue.

The Scape Safe Hub is a network of tech-enabled human support, that allows for remote monitoring as well as in-person oversight by designated team members at all Scape locations to enable rapid response to incidents and welfare support needs. The solution combines CCTV surveillance cameras with 24/7 monitoring of cameras and alarms, continuous availability of security staff, and staff on-site 24/7 at properties with residents under 18 years of age.

Scape has a network of over 2,500 CCTV cameras, monitored by trained security personnel. Scape employs mobile security units and onsite incident response teams, supported by a network of professional security personnel. The Scape Safe Hub identifies events and if required rapidly dispatches on-site in-person incident investigation and response personnel.

Key features of the Scape Safe Hub include:

- Over 2500 CCTV cameras overseen by centralised staff for comprehensive monitoring and response dispatch
- Regular security patrols
- Emergency phones for rapid response
- Duress alarms for Scape staff at reception areas in every property
- Communication protocols to enable coordination across the network
- Ability to remotely control access to the premises
- Trained Scape staff, available 24/7, at properties that host residents who are under 18 years of age
- Scape's team of IT professionals who provide troubleshooting and solutions for network, connectivity, and device-related concerns raised by students.

The Scape Safe Hub, with its skilled support staff, tech expertise, and centralised security monitoring, represents a strategic investment in resident and staff safety, wellbeing, and operational efficiency.

'SCAPE TLC' – RESIDENT WELLBEING AND PASTORAL CARE

Objective

Scape is committed to enhancing tenant satisfaction across all domains. We aim to cultivate a culture of care that offers residents holistic support for their physical, mental and social wellbeing. Our customer-focused staff provide access to a range of services and events.

Scape's three pillars for resident experience are: Engagement, Wellbeing and Satisfaction. We aim to enhance wellbeing, foster connectedness, boost confidence, expand social networks and raise cultural awareness within the Scape precincts and wider communities. Through personalised support services, interactive learning opportunities, and immersive experiences, we nurture and support our residents' personal development and lifelong learning.

2023 Progress

'ScapeTLC' is a curated program of wellbeing activities and events to engage residents. The program includes fitness, nutrition and healthy eating, emotional, social, financial and career support.

We engage with residents through various channels including face-to-face, online, and on social media. Our in-house student experience, customer experience, operations, facilities and wellness and hygiene staff are always ready to address resident needs and feedback, spanning value, cleanliness, engagement and ESG inquiries. Scape runs a diverse offering of engagement activities across social, life skills and wellbeing initiatives tailored to the resident's needs during the course of a typical residency.

Wellbeing Resource

Scape's management of health, safety and wellbeing was augmented with the appointment in 2023 of a full time National Wellbeing, Experience and Safety Manager as well as an Operations Team Training Manager. Robert Chasse was appointed as Scape's National Wellbeing, Experience and Safety Manager reporting to Ciaran Handy, COO - Operations. Robert is responsible for leading the design and implementation of Scape's strategy and initiatives regarding the wellbeing and safety of our residents. He takes ownership of identifying resident related risks and ensures that Scape's risk mitigation and incident management systems and processes are best-in-class and industry leading. He acts as the point of escalation and management of all incidents relating

SOCIAL IMPACT – OUR NEIGHBOURHOOD

to the safety and wellbeing of Scape residents and leads the Scape Safe Hub team to manage identification of risks and responses to incidents.

Resident Engagement

Scape has an ongoing program to actively engage with residents and create a sense of community within each building, supporting residents to feel like part of an inclusive, diverse and caring community. Through both Scape's physical environments and curated inter-personal interactions, we actively create a safe, supportive, engaging and resident-centric experience to facilitate acculturation and a sense of belonging for residents in their new community.

Scape engages with residents in a number of ways: in person, online and via social media. Our operations and customer experience teams are available both in person, via phone and email to address residents' needs or feedback including value for money, cleanliness, engagement and ESG queries. Residents can also raise any issue with our head office team online or via social media if they feel their needs aren't being met by the asset staff.

Scape has hired a team of Customer Experience Managers who are resident engagement specialists that work

alongside our Operations Managers, Student Experience Managers and Resident Student Ambassadors. Together they orchestrate captivating activities, competitions, and new experiences, including ESG-focused engagements. Monthly calendars brim with events, frequently attended by a substantial number of residents. Through Scape's network of support and engagement initiatives, we hope to motivate our residents to be actively involved in their communities, support them in their personal and academic journeys and provide them with the skills, knowledge and experience to thrive in their future endeavours.

For an enriched student experience some of the practical initiatives related to health and wellbeing Scape provide that contribute to a holistic living experience include:

- face-to-face conversations and de-stress activities
- thoughtful well-wishing cards
- wellbeing packs
- informative wellness posters and flyers
- monthly tenant engagement meetings
- feedback sessions held with individual tenants to address issues raised

- monthly meetings between the operations team and Student Ambassadors to discuss feedback and opportunities for improvement
- door knocks
- welfare checks for any residents that might need support
- active use of social media, our webpage and email to engage with all residents including on ESG awareness raising e.g. waste best practice, switching off lights to save energy, using water refill stations to avoid plastic waste, healthy cooking and avoiding waste in meal preparation.

Resident Education

Scape forges partnerships with diverse organisations to educate and engage residents on a spectrum of concerns, providing access to the following:

- **Sonder:** a safety and wellbeing app providing access to medical and mental health experts available 24/7. Scape offers this app free to all residents, Scape staff and team members
- **Year 13:** a career and transition support network for school leavers or residents with work-related changes in the transition to living away from home for the first time

- **Headspace:** an app and in-person training program that provides mental health education to residents and staff
- **Confidence Hackers:** a training program encouraging confidence and resilience building
- **Culture Resource Centre:** a multi-cultural awareness and cultural competence training regime
- **FullStopAustralia:** providing education to residents about respectful relationship behaviour as well as training for our staff
- **Alcohol + Drug Education Specialists (AEDS):** providing resident education on alcohol, drugs and consent

Resident ESG training is provided in person by our building managers and Resident Student Ambassadors and via videos. In 2023 a series of building-specific multi-lingual videos were produced explaining the key features of each building including emergency egress, fire safety, and other safety and resident wellbeing features.

SOCIAL IMPACT – OUR NEIGHBOURHOOD

Resident Survey

Scape is committed to surveying our residents annually to gain insights into their wellbeing and identify any opportunities for improvement. We conduct an annual resident satisfaction and wellbeing survey covering key themes (physical, emotional, social, financial, career) and asking the Net Promoter Score question: "How likely would you be to recommend Scape to a friend or colleague?". In 2023, Scape partnered with research and communication firm Year 13 to survey residents and a wider youth cohort on the issues that matter most to them. This survey helped guide Scape's tenant engagement program, including ESG issues. Such information helps us understand the underlying drivers for resident satisfaction. We call this survey the 'Wellbeing Index'. The Wellbeing Index satisfaction survey is conducted annually, with results analysed by our staff, and shared with our property managers and student engagement specialists who follow up on any issues identified. Wellbeing Index scores are produced for each building, so asset-specific issues can be resolved (GRI 2-29 Approach to stakeholder engagement).

Scape conducted its inaugural resident satisfaction and wellbeing survey in Q2 2023. With over 1000 responses from Scape residents and a similar number of non-Scape residents, the Wellbeing survey produced valuable insights into resident satisfaction, mental health, comfort, nutrition, social connection, financial wellbeing, etc.

Compared with a broader cohort of students who don't live in Scape buildings, Scape residents are more likely to:

- report higher levels of mental health (sum of responses Excellent, Very Good or Good = 72% Scape v 59% non-Scape)
- regularly connect with friends (57% Scape v 52% non-Scape) and family (58% Scape v 52% non-Scape)
- feel a sense of inclusion and belonging (74% Scape v 71% non-Scape)
- report higher levels of physical health (sum of responses Excellent, Very Good or Good = 76% Scape v 67% non-Scape)
- eat enough healthy food (40% Scape v 37% non-Scape)
- feel like diversity is embraced and respected in their everyday lives (89% Scape v 85% non-Scape)

Resident Guidelines

We have a resident handbook that provides guidance to tenants on ESG-related matters and the guidelines are referenced as part of the residential tenancy agreement.



SOCIAL IMPACT – OUR NEIGHBOURHOOD

ACCOMMODATION SCHOLARSHIPS FOR CHARITABLE PARTNERS

HOME FOR GOOD PROGRAM

Objective

Scape has committed to provide over 100 beds annually, as part of a needs-based housing initiative providing accommodation to a combination of scholarship recipients and people in need.

2023 Progress

In 2023, Scape provided 125 subsidised accommodation beds through our Home for Good program. Residents in this program receive a discount ranging from 38% to 60% relative to standard rents. The value of the accommodation donated through this Scape Home for Good program exceeds \$1.3 million per year. The current beneficiaries include: women who have been victims of domestic violence, First Nations students, recovering cancer patients from the Peter MacCallum Cancer Centre, and young achievers who receive academic scholarships and athletic scholarships.

In Melbourne, we have partnered with the Peter MacCallum Cancer Centre, 'Peter Mac', to provide accommodation to recovering cancer patients being treated at the adjacent hospital. This frees up a hospital bed and allows the residents to recover in a more comfortable, less clinical environment.

In Sydney, we have partnered with the Aboriginal Housing Company (AHC) to provide an ongoing scholarship program for First Nations students in the Pemulwuy precinct's Col James Building, also known as Scape Redfern.



SOCIAL IMPACT – OUR NEIGHBOURHOOD

COMMUNITY IMPACT

CHARITABLE PARTNERSHIPS

Objective

Scape will maintain strategic partnerships with Not-for-Profit (NFP) organisations focused on addressing the key issues experienced by Scape's residents, and on the most pressing social issues in the communities in which we operate.

We recognise that young people face a wide range of challenges and we are dedicated to supporting them in various aspects of their lives. This commitment is realised through our collaborative efforts with various NFP organisations. Our charitable partnerships yield a positive social impact that extends far beyond the lives of our students, encompassing the broader network of stakeholders associated with our organisation.

2023 Progress

Scape has a range of NFP partnerships aligned to our core service offering of providing accommodation to student residents and associated pastoral care including resident wellbeing and addressing the key social issues experienced by young people.

Scape's current charitable partnerships include:

- **Aboriginal Housing Company (AHC):** In partnership with the AHC, Scape provides affordable housing solutions for indigenous students. The Aboriginal Housing Company is a NFP charity that delivers affordable housing on the Block in Redfern, Australia's major population centre for First Nations people.
- **Sydney Children's Hospital Foundation:** The Sydney Children's Hospital is a world-class healthcare institution committed to the wellbeing of young patients. It offers specialized care and support, and is also a major teaching hospital and teaching facility for the adjacent University of New South Wales.



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- **Peter Mac** (Peter MacCallum) Cancer Centre: This pioneering cancer research and treatment centre is dedicated to improving the lives of cancer patients. With Peter Mac we provide support for recovering cancer patients. At Scape Peel we provide accommodation for recovering cancer patients, and maintain a 'Men's Shed' woodworking shop, which is used to build skills and develop community connections for recovering cancer patients. Participants of the men's shed program made Scape's bee hotels for our properties.
- **Oxfam**: One of Scape's charitable partnerships is with Oxfam. Scape contributed \$25,000 in 2023 to Oxfam's Straight Talk program, supporting Aboriginal and Torres Strait Islander women to make representations to their members of parliament about issues that affect their community. Scape also contributed a further \$25,000 to Oxfam's Small Grants programs, which support numerous programs of varying types aligned with youth and education themes in First Nations communities around Australia.
- **Volleyball Australia**: Scape supports Volleyball Australia with athlete accommodation, sponsorship of the Schools Cup and the Australian Volleyball Super League (AVSL), the premier Australian domestic volleyball competition. Volleyball is one of the top participated and most inclusive sports worldwide. This non-contact sport can be enjoyed by everyone and is aligned with Scape's mission to promote wellbeing, physical and mental health.
- **Randwick Rugby**: Scape sponsored this local sporting team in 2023 as a contribution to the community and economy in a locality that Scape is investing in heavily with five new developments. Randwick Rugby is an inclusive community club that celebrates Juniors, Women and First Nations players.
- **Wear it Purple**: Advocates for safe and inclusive environments for LGBTQI+ youth, fostering acceptance and equality.

Through these partnerships, we strive to make a lasting and meaningful difference in the lives of young individuals and our community as a whole.

INDUSTRY ENGAGEMENT

Objective

Scape is committed to market leadership and to positively influencing Government policy and regulation through active participation in key industry bodies and events

2023 Progress

Scape maintains membership of key industry bodies and benchmarking systems including in the ESG space. Active engagement with these organisations and committees remains integral to Scape's continuous learning and knowledge acquisition, reinforcing our position as a leader in the field of ESG practices. Scape is in the room where all the important conversations happen with membership in renown industry bodies such as the PCA, APSAA, IEAA, SAA, SAC.

Scape's key corporate memberships include:

- **Property Council of Australia** (PCA): The Property Council of Australia is 'the Voice of the Australian property industry' representing the leaders of the the nation's largest industry that contributes 13% of Australia's GDP. PCA is also the biggest employer in Australia providing jobs for more than 1.4 million Australians. With over 2,300 company and business member organisations, PCA advances the industry's representation, reputation and impact. Scape hold the Chair and are a prominent member of the PCA's Student Accommodation Council formed in May 2022, to give a voice to the critically important purpose-built student accommodation (PBSA) sector that provides homes for over 76,500 students per year – a figure that continues to grow. Scape is also a key member of the PCA's National Sustainability Roundtable, which showcases thought leadership beyond current industry best practice across strategic environmental, social, economic and governance aspects of sustainability. The sustainability roundtable leverages the resources of leading members and works collaboratively with

other aligned industry organisations to advocate and support best practice sustainability policy to Australia's broader property industry and policy makers. Scape also participate in the PCA's National Chief Risk Officer (CRO) Roundtable, the Property Council's peak risk forum for discussion on global trends, key issues and priorities in risk management for the Australian property sector. The roundtable leverages the resources of members and works with other aligned organisations and government agencies to advocate and support best practice risk management.

- **Reconciliation Australia** (RA): Reconciliation Australia is a non-government, NFP foundation that promotes a continuing national focus for reconciliation between Indigenous and non-Indigenous Australians. RA administer the successful Reconciliation Action Plan program, whereby Australian companies commit to take meaningful actions to embed the principles and purpose of reconciliation.

- **Diversity Council Australia** (DCA): The DCA Champions diversity and inclusion in workplaces, driving positive change for organisations and their employees. Scape participate in the Inclusive Employers Index, and rely on the DCA for expert advice on inclusion and diversity matters.
- **Asia-Pacific Student Accommodation Association** (APSAA): Scape is a member of APSAA, the premier industry body for all providers of post-secondary student accommodation in the Asia Pacific region. Along with their staff and individual professionals within the industry, it's membership includes universities, private residential colleges, commercial providers, and individuals.
- **International Education Association of Australia** (IEAA): IEAA is Australia's leading association for international education, striving to empower professionals, engage institutions and enhance Australia's reputation as a provider of world-class education.
- **Japan Network for International Education** (JAFSA): JAFSA is a NFP organisation with members consisting of universities, educational organisations, and corporations in Japan.

SOCIAL IMPACT – OUR NEIGHBOURHOOD

- **Green Building Council of Australia (GBCA):** Scape is a member of the GBCA whose purpose is to lead the sustainable transformation of the built environment, through administration of the Green Star rating system - Australia's largest national, voluntary, holistic rating system. The GBCA educates industry, government practitioners and decision-makers, promotes green building programs, technologies, design practices and operations, and advocates for policies and programs that support the GBCA's vision and purpose.

Scape's position as a leader in the student accommodation industry was demonstrated in 2023 with the below key appointments:

- Scape's CEO, Anouk Darling, was welcomed as the inaugural Chair of the Student Accommodation Council – a subdivision of the Property Council of Australia representing over \$20 billion in assets and approximately 40,000 beds advocating for regulatory change to benefit the sector
- Anouk Darling was also appointed as a Board Director of the Property Council of Australia board. the peak body for the property sector

- Anouk Darling also joined as an expert advisor for The Council for International Education – a panel of specialists across the education sector to inform and advise Minister Jason Claire of context, challenges and barriers to international education and policy.

On top of these appointments, Anouk Darling's fresh perspective on the property sector as a whole has seen her feature on numerous panels, industry events and conferences in 2023 including:

- UHomes 2023 Global Student Accommodation Summit, Hangzhou, China (October, 2023)
- PCA Property Leaders Summit, Canberra, Australia (May, 2023)
- PCA Future Cities Summit, Pre Conference Breakfast Panel, Sydney, Australia (May, 2023)
- The Urban Land Institute - Our Global Urban Futures Summit, Sydney, Australia (May, 2023)
- APRA/RBA/Property Council Roundtable, Sydney, Australia (April, 2023)
- PCA Social Infrastructure Lunch, Brisbane, Australia (March, 2023)
- NextGen Women in Finance for MA Financial Group, Sydney Australia (March, 2023)

Scape's General Manager ESG, Chris Nunn, represented Scape on the Property Council of Australia (PCA) National Sustainability Roundtable, and the PCA Chief Risk Officers' Roundtable (GRI 2-28 Membership associations).

In 2023, Scape participated in a range of ESG-related conferences and events, speaking about Scape's approach to ESG and our key initiatives.

- Scape's CEO, Anouk Darling, and GM ESG, Chris Nunn, attended Ivanhoe Cambridge's "Choices for the Future" summit in Montreal, Canada on 10 and 11 October 2023. Chris Nunn spoke on a panel about the pathway to zero carbon.
- Anouk Darling presented at the Future Cities Summit on 8 May 2023

- Chris Nunn spoke at:
 - the Sustainability for a Brighter Future Summit on 25 July 2023 in Melbourne
 - the Future Place Build to Rent Summit on 18 October 2023 in Melbourne
 - Chris was the Keynote speaker at Sustainability Summit and Awards night on 9 November 2023 in Melbourne
 - Represented Scape as a judge at the Study Melbourne Future Founders Pitch Competition in Melbourne on 24 November 2023
 - As a panellist at the GRESB Results Event in Sydney on 1 November 2023

ARTIST IN RESIDENCE

Objective

Scape's Artist in Residence program is an industry first initiative, aiming to foster and exhibit young artistic talent.

2023 Progress

In 2023, Scape launched an Artist in Residence program with Nathan Nankervis to foster and exhibit young artistic talent among student residents. Scape's Artist In Residence program provided a creative space at Scape Carlton for young artist Nathan Nankervis, who produces original works including a large format mural and tram wraps. The program also involves Nathan mentoring for residents studying creative art programs. Approximately 12% of Scape students are studying creative arts courses. The mural Nathan created in January 2023 forms a striking part of the entrance to Scape Swanston. Artwork produced by Nathan also featured prominently on trams in both the Sydney Light Rail and Melbourne's tram network throughout February and March 2023.

In 2024, the Artist in Residence program will continue with Noni Cragg residing at Scape Kingsford. Noni is a portrait artist based in Sydney. She is a Bundjalung and Biripai woman with Irish, Scottish and First Nations heritage. Noni will produce an entrance mural for Scape Kingsford among other works.

PROCUREMENT

SUPPLIER CODE OF CONDUCT

To extend Scape's commitment to positive environmental and social impact through our broader networks, we have implemented a Supplier Code of Conduct. By the end of 2024, it is our expectation that all contract suppliers will have signed this Code of Conduct, reinforcing our collective efforts to ensure compliance, promote ethical practices, and mitigate risks.

SOCIAL IMPACT – OUR NEIGHBOURHOOD

ANTI-MODERN SLAVERY

Objective

Scape acknowledge the issue of modern slavery and will endeavour to identify and act on any risk of human rights abuse or unjust work conditions in our organisation and our supply chains.

Scape does not tolerate slavery, human trafficking, or abusive or unfair treatment in any part of its business or in any of its supply chains. Scape is committed to acting with integrity and ethically in all our business relationships and dealings, taking steps to ensure that modern slavery plays no part in our business or supply chains. We ensure that there is transparency in our business and our approach to preventing and addressing modern slavery in our operations and supply chains.

2023 Progress

Scape has a modern slavery policy in place. Our staff are trained on it annually and we require our suppliers to also comply with the policy. Scape also maintains a Supplier Code of Conduct including anti-modern slavery requirements.

In 2023, Scape published an Annual Anti-Modern Slavery disclosure statement which is available at the Attorney-General's Department (AGD) Online Register for Modern Slavery Statements here: <https://modernslaveryregister.gov.au/statements/14798/>

In 2024, Scape plans to undertake a detailed modern slavery risk assessment, evaluating and engaging with any identified high-risk suppliers on Modern Slavery issues (GRI 408-1 Operations and suppliers at significant risk for incidents of child labour; and 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour).

SOCIAL AND ENVIRONMENTAL PROCUREMENT

Objective

Scape aims to identify procurement opportunities that support improved social and environmental outcomes.

2023 Progress

In Q1 2023 Scape developed an updated Green Cleaning Policy in support of the Scape Franklin Green Star submission including best practice use of eWater eco-friendly cleaning solution and updated reuse and recycling initiatives. This avoids use of a range of chemicals with environmental and potential health implications (GRI 308-1 New suppliers that were screened using environmental criteria)

In 2024, Scape will work toward gathering supplier ESG data in order to be able to report in future on the environmental and social impacts of our supply chain (GRI 308-2 Negative environmental impacts in the supply chain and actions taken).



GOVERNANCE

Ourselves

GOVERNANCE – OURSELVES

The material environmental themes Scape focuses on are:

- Workplace safety and wellbeing
- Diversity, equity and inclusion
- Workplace culture
- Capability
- Training
- Systems, processes and policies
- Transparency and accountability

WORKPLACE SAFETY AND WELLBEING

Objective

Scape is committed to creating and maintaining a safe and healthy work environment for our employees, contractors, and visitors.

HEALTH AND SAFETY OF STAFF AND CONTRACTORS

Scape regards the safety and welfare of its team members and residents as its most important responsibility. Scape has developed and implemented a comprehensive Work Health and Safety Policy (WHS) as a sign of its commitment to providing a healthy and safe environment in which to work and live. The WHS Policy governs the ways in which Scape meets its health and safety legal obligations by complying with all relevant laws, codes of practice, and industry standards.

Scape uses a contractor management platform to confirm that contractors have fulfilled their statutory obligations to perform services at our sites.

2023 Progress

Health and Safety Policy and System:

Scape has a health and safety system in place. Scape's Risk Committee meets quarterly, our operations team hold monthly National Workplace Health and Safety (WHS) meetings as well as monthly state WHS meetings, and Weekly property toolbox meetings, which include health and safety briefings, updates and discussions. Scape believes strongly in the importance of all our team members being responsible and remaining

vigilant to protect each other and other individuals. Any event which threatens the safety, health, and wellbeing of any person, or of any property or building, must be identified and escalated to the appropriate person in accordance with our incident and escalation policy. This policy includes a range of incident types, for each type, what are the thresholds for a low, medium or high risk incident.

Injuries and Absenteeism: Scape monitors staff safety, incidents and injuries and absenteeism rates.

In 2023 the health and safety statistics for staff were:

- Absentee Rate: 1.65%. Absentee Rate is defined as the number of sick and carer leave days per full time equivalent employees.
- Injury Rate: 0.53%. Injury rate is defined as the total number of instances of being injured, arising from operations expressed as a percentage of total number of employees.
- Fatalities: zero fatalities.

Construction projects: In 2023, Scape had a number of projects in construction, including Scape Victoria Street, Scape Kingsford, Scape Ascot and Scape Leicester. Scape maintains Project Control Groups (PCGs) with oversight of the construction projects,

including reporting of construction incidents. At Scape Kingsford, the building contractor Taylor reported one day of lost time injuries (LTI) in the 12 months of construction on that project during 2023, and two medical treatment injuries (MTI). The lost time injury frequency rate is 0.0043% (8 hours lost time over 184,841 hours worked by contractor and sub-contractors).

Residual Current Devices Testing (RCDs): RCDs are electrical safety devices designed to immediately switch off the supply of electricity when electricity leaking to earth is detected at harmful levels. They offer high levels of personal protection from electric shock. Scape carried out RCD testing in Q1 2023.

Fire Safety: Inspections of passive fire safety equipment occurred across Scape assets in 2023, including audits and reports of fire safety compliance, switchboard safety, fire doors, fire dampers, test and tag of electrical appliances, and facade inspections to determine if any Aluminium Composite Panels pose a fire safety risk.

Lone Worker Devices: In 2023, Scape implemented Lone Worker Devices for all staff working alone after hours in our operational buildings. The lone worker devices are wearable technology, with a button that can be

pressed if assistance is required. Upon activation of the SOS button, a support centre staff member communicates with the Scape employee via the lone worker device to understand the issue, and if required the support centre contacts emergency services and stays on the call with the staff member until help arrives.

WHS Accreditation: Scape's COO-Operations, Ciaran Handy, obtained an Advanced Diploma of Work Health and Safety including modules in how to:

- Lead WHS risk management
- Lead initial response to and investigate WHS incidents
- Contribute to developing, implementing and maintaining an organisation's WHS management system
- Lead the development and use of WHS risk management tools
- Manage WHS consultation and participation processes

Inductions and Sign In: all staff, visitors and contractors are required to sign in to attend a Scape building via our induction platform, Rapid. The sign-in process provides the visitor with building information including fire egress etc.

STAFF WELLBEING PROGRAMS

2023 Progress

Wellbeing Intranet Page: In 2023, Scape developed an intranet page related to staff health and wellbeing covering a range of benefits available to staff to support wellbeing. The intranet page included information about Scape's Employee Assistance Program, details about accessing Scape Gyms and discounts for fitness classes, annual flu vaccinations and insurance cover. It also provided access to mental health support via our partner Headspace, and access to on-demand safety and wellbeing information, advice and support via our partner Sonder.

EAP: Converge provide Scape's Employee Assistance Program (EAP), through which our staff have access to qualified mental health professionals 24/7 so that our team can reach out for confidential help at any time for free. Our EAP service is also offered free of charge to all immediate family members of our employees. Scape receives regular reports from our EAP Provider (which are of course anonymous), so we know our staff are using EAP and finding it valuable.

Sonder: The Sonder on-demand safety and wellbeing app is provided

GOVERNANCE – OURSELVES

free to all Scape residents, Scape staff and team members. The Sonder app is supported by safety, medical and mental health experts and is available 24/7. The Sonder qualified team members are available to help with a broad spectrum of needs - from stress and anxiety, depression and suicide prevention, workplace bullying and frontline manager support, domestic violence and personal safety.

Good Health Month: Every October at Scape we celebrate Good Health Month. It's a festival of wellness with physical health challenges, mental health initiatives and benefits for staff, like 'Bueller Day' —inspired by the classic movie Ferris Bueller's Day Off. Full-time staff can take an additional day of paid annual leave during Good Health Month to relax and recharge.

Flu Vaccine: Scape offers free annual flu vaccinations conducted by qualified medical professionals, easily accessible at our very own buildings. In 2023, 23% of our workforce took the opportunity to receive the flu vaccine.

Ergonomic Assessments: In 2023, we identified a preferred supplier for ergonomic assessments, (Ergoworks Physiotherapy and Consulting) and one pilot assessment was completed.

DIVERSITY, EQUITY AND INCLUSION

GENDER EQUITY

Objective

Scape aims to achieve gender parity in both representation and remuneration.

2023 Progress

Gender Ratios: In 2023, Scape's gender diversity ratio across all staff was 60% women; 40% men. The Senior Leadership Team was 40% women, 60% men, and the Board was 100% male (GRI 405-1 Diversity of governance bodies and employees).

International Women's Day: Scape celebrated International Women's Day (IWD) on Wednesday 8 March, a global day to celebrate the social, economic, cultural and political achievements of women. The day also marks a call to action for accelerating women's equality. The theme for 2023 International Women's Day was #EmbraceEquity. The word "equity" is used purposefully as opposed to equality. Equality means each individual or group of people is given the same resources or opportunities. Equity recognises that each person has different circumstances, and allocates the resources and opportunities needed to reach an equal outcome. We

are encouraged to #EmbraceEquity on International Women's Day (and every day) by celebrating the achievements of women and girls, raising awareness and calling out discrimination, and taking action to drive gender parity and equity.

WGEA Reporting: Each year, Scape reports to the Workplace Gender Equality Agency (WGEA) on matters of gender equality in our business. In particular, we report on policies, strategies, and actions taken to further gender equality as well as information on salaries, remuneration, and appointments. This framework assists Scape in implementing measures to improve gender equality outcomes for our team.



GOVERNANCE – OURSELVES

PAY RATIOS

Gender Pay Gap: In 2023, Scape's median total remuneration gender pay gap was 3.2% (Scape Gender Pay Gap Employer Statement). While we acknowledge there is work to do to improve this figure, Scape's gender pay gap is substantially lower than the comparable Australian real estate average gender pay gap of 25.7%. Gender Pay Gap statistics are gathered by WGEA (the Federal Government Workplace Gender Equality Agency) and have been publicly reported for the first time in 2023. The WGEA category relevant to Scape is 'Rental, hiring and real estate services', sub category 'Property operators and Real Estate Services'.

The WGEA data for that sub-category is a Median Total Remuneration Gender Pay Gap for of 25.7%, versus Scape's figure of 3.2%. This gap has reduced over the course of the last three years since Scape commenced WGEA reporting. This momentum has been achieved through a number of initiatives, including ensuring 'same role, same performance, same salary' throughout the annual remuneration review process. We recognise there is still work to be done to achieve our goals. While our workforce consists of a greater proportion of females, there is a disparity at the senior leadership levels (board and executive) and addressing this disparity remains a key priority. It is also worth noting that a significant proportion of our 700+ workforce have their employment and remuneration covered by a modern award (GRI 405-2 Ratio of basic salary and remuneration of women to men).

Key drivers for achieving gender parity at Scape include:

- Our ongoing focus on creating a safe and inclusive environment and culture for people of diverse sexualities, genders, faiths, and beliefs.
- Our prioritisation of attracting, recruiting, and retaining team members from a diverse range of backgrounds (69% of Scape respondents to the DCA Inclusive Workplace survey indicated they were multilingual). We remain particularly focused on gender parity at the leadership level as a key priority including through the implementation of training, mentorship and career progression opportunities enabling women to progress to senior positions.
- Driving pay parity by ensuring we have access to relevant and up-to-date remuneration data and an ongoing focus on 'same role, same performance, same salary'.
- Offering a range of health and wellbeing initiatives/benefits that appeal to a diverse range of individuals and their circumstances.

BOARD AND EMPLOYEE DIVERSITY STATISTICS

2023 Progress

Across all staff, in 2023 Scape's age group distribution was:

- 47%: under 30 years old
- 45%: between 30 and 50 years old
- 8%: over 50 years old

In 2023, at the Board and Senior Leadership Team level (our senior executives), Scape's age group distribution was an age range from 39 to 63 and an average age of 52.6.

At Scape, we have a multi-cultural resident population matched by a highly diverse workforce. 69% of Scape staff are multilingual and 72% have a non-English speaking cultural background. Across our staff over 100 languages are spoken (GRI 405-1 Diversity of governance bodies and employees).

DIVERSITY, EQUITY AND INCLUSION PROGRAMS

Objective

Scape is committed to creating a welcoming, diverse and inclusive place for our residents to live and for our staff to work, where people feel safe to be their whole self.

2023 Progress

Inclusive Employer Index: In 2023, Scape was recognised as an Inclusive Employer by the Diversity Council Australia (DCA), Australia's peak body for workplace diversity and inclusion. Scape uses the DCA Inclusive Employers Index to evaluate our diversity performance, and look to DCA for expert advice on inclusion and diversity matters. We are extremely proud to have been recognised by the Diversity Council of Australia as an Inclusive Employer 2023-2024. This honour highlights our exceptional performance, surpassing the National Index Benchmark for awareness, engagement, fostering an inclusive organisational climate, demonstrating inclusive leadership, building inclusive teams and mitigating exclusion.

Diversity and Inclusion Policies: At Scape, we are committed to making Scape a safe and inclusive place for everyone - to live, to work, to visit. At Scape, our commitment to Diversity, Equity and Inclusion is to 'acknowledge the gaps, aim for betterment and embrace the differences'. We have a suite of policies that are reviewed on an annual basis to communicate to our team members the kind of workplace we want to be and the standards and expectations we have of each and every team member as representatives of the business. Annual compliance training is held each year to reinforce these messages of Diversity, Equity & Inclusion (DEI). We acknowledge and celebrate diversity and inclusion through strategic partnerships such as Pride in Health and Wellbeing and Reconciliation Australia, formal activities such as training and implementation of a Reconciliation Action Plan, and initiatives including the acknowledgement and celebration of Chinese New Year, International Women's Day, Ramadan and Wear it Purple Day. The content of through our marketing and social media platform reflects the diversity of our community.

GOVERNANCE – OURSELVES

ACON's Pride in Health + Wellbeing program:

In February 2023, Scape joined ACON's Pride in Health + Wellbeing Program. ACON is Australia's largest and leading health organisation specialising in community health and inclusion for people of diverse sexualities and genders. To strengthen understanding of LGBTQ people and communities, Scape team members were required to complete an e-learning module called 'LGBTQ Introduction' by 15 March 2023. Scape's participation in this program will help us to achieve our ambition of contributing to positive social change and to ensuring that ours is a safe and welcoming environment for LGBTQIA+ people and communities.

Welcome Here: The Welcome Here Project is an ACON initiative designed to support businesses to create and promote environments that are visibly welcoming and inclusive to LGBTQ communities. In 2023 Scape installed 'Welcome here' safe place stickers on all buildings, to show that our spaces are visibly welcoming and inclusive of LGBTQ+ communities.

Wear it Purple: Wear it Purple Day is an annual LGBTQIA+ awareness day especially for young people, based in Australia. Supporters wear purple to celebrate diversity and young people from the LGBTQIA+ community. The Day is organised by Wear it Purple, a student run, not-for-profit organisation, providing presentations and workshops

World Pride: In 2023, Scape celebrated and participated in World Pride (running from Friday 17 February to Sunday 5 March 2023). This year was the first time the festival was held in the Southern Hemisphere. Throughout World Pride our Scape community was invited to participate in a number of activities including:

- Training (ACON's e-module 'LGBTQ Introduction')
- Various engagement events
- Events and Activations in our buildings
- Our first ever Scape wide "Rainbow Party" with LGBTQ+ diversity celebrations in each state

RECONCILIATION ACTION PLAN

Objective

Scape is working toward greater awareness and respectful relationships that will create meaningful opportunities for Aboriginal and Torres Strait Islander peoples throughout our business and the broader community.

2023 Progress

Scape formed a Reconciliation Action Plan Working Group in Q1 2023 and commenced work to develop our first Reconciliation Action Plan (RAP) during 2023. We submitted it to Reconciliation Australia for approval in December 2023. A RAP is a set of corporate commitments to take voluntary action to promote respect for Australian First Nations cultures, the oldest continuous living cultures in the world. Scape currently provide scholarships for First Nations students facilitated by the Aboriginal Housing Company in Redfern and the Killara Foundation in Melbourne.

In our first 'Reflect' RAP, Scape's objectives are to:

- Raise awareness and improve understanding among our staff about First Nations cultures, histories, and perspectives. We hope that improved cultural awareness will contribute to an inclusive work environment for Aboriginal and Torres Strait Islander employees and stakeholder
- Motivate and inspire all staff who can take pride in Scape's commitment to diversity, equity and inclusion
- Create opportunities for Aboriginal and Torres Strait Islander peoples:
 - to live in Scape buildings
 - to work at Scape, and
 - be part of our supply chain
- Build relationships with First Nations organisations
- Integrate First Nations design elements into Scape's developments and operational buildings e.g. artworks, landscaping, colour choices that reflect local First Nations cultures

- Publicly commit to making an ongoing meaningful contribution to reconciliation between First Nations Australians and non-Indigenous Australians, within our own business, and in broader Australian society.

Scape's headline 'Reflect' RAP targets and key initiatives are:

- RAP: 'Reflect' Reconciliation Action Plan (RAP) in place in 2024; 'Innovate' RAP in 2025; 'Stretch' RAP in 2027
- Acknowledgements: Cultural Protocol and Acknowledgement of Country guidelines in place by end 2024
- Jobs: Target rate of First Nations employment equal to representation in the general population (>4%) by 2027
- Plaques: By the end of 2024 all Scape assets to have a plaque acknowledging the Traditional Custodians of the land in a prominent location at the entrance of every building; and on all new developments
- Cultural Awareness training for all staff by end of 2024 covering respect for Aboriginal and Torres Strait Islander cultures
- Supply Nation membership to be used to identify opportunities to work with Aboriginal and Torres Strait Islander-owned and operated enterprises in our supply chain by 2024
- Developments: Consultation with Traditional Custodians of the land during concept and detailed design stages, applying the Australian Indigenous Design Charter (<https://Indigenousdesigncharter.com.au/>) and incorporating First Nations design elements at every new development or major refurbishment in a prominent, public facing design feature by 2024.

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- Landscape Design: By end of 2025, every asset to have an external landscaped area planted with locally native plants in consultation with the relevant First Nations organisations or community leaders. The landscaped area should support selected locally threatened or vulnerable species, and incorporate interpretive signage explaining the significance of the plants, insects, and animals supported by the habitat as well as the cultural aspects and heritage of the native landscaped area including First Nations medicinal or bushfood uses of plants.
- Artist in Residence: maintain Scape's Artist in Residence program, including creating opportunities for First Nations artists to create artworks for Scape buildings and corporate publications.

In Q4-23 a plaque was installed at the front entrance at Scape Redfern acknowledging traditional custodians of the land the Gadigal People of the Eora Nation, and a separate plaque was installed acknowledging the artist and description of the artwork on the ceiling of the entry.

In Q4 2023 a plaque acknowledging Traditional Custodians of the land was installed at the entrance of new construction project Scape Victoria Street in Melbourne. The traditional Aboriginal name of Melbourne is Naarm, which is the traditional lands of the Kulin Nation, a collective of five Aboriginal clans: Wurundjeri, Boonwurrung, Wathaurung, Taungurung and Dja DjaWrung.

In Q2 2023, a smoking ceremony was held on 5 May 2023 at new construction project Scape Ascot with Scape and building contractor Ceerose.

WORKPLACE CULTURE, CAPABILITY AND TRAINING

EMPLOYEE SURVEY

Objective

Scape invest in creating a positive workplace culture, supporting staff in their career development and providing appropriate training.

2023 Progress

Staff Wellbeing Survey: In 2023, Scape ran a staff wellbeing survey that was completed by 100 staff members. Highlights from the survey were that 93% of staff said that "Scape creates an inclusive, welcoming community that understands and respects people's differences"; and 81% are "happy with the programs we have in place to support team member wellbeing". We also asked if there were any safety issues team members have noticed while working at Scape, and some team members provided insights and examples of issues that were concerning them. These issues have been addressed by our team.

CODE OF CONDUCT AND COMPLIANCE MANUAL

Scape maintains a Code of Conduct and Compliance Manual that includes all relevant policies governing team members at Scape as well as individuals who represent Scape including contractors, consultants, labour hire workers, suppliers, customers, consumers, and any other visitors regardless of citizenship or work location. The Compliance Manual contains policies related to Scape's legal obligations as well as policies relevant to the conduct, actions, and behaviour of Scape team members. All Scape team members are required to be familiar with the Compliance Manual and Code of Conduct. The Compliance Manual applies to all Scape team members during the course of employment, engagement, or work with Scape, including in the workplace, during work social events, when acting as a representative or communicating on behalf of Scape, when travelling on behalf of Scape, online and social media.

CAPABILITY PERFORMANCE REVIEWS

In 2023, Scape implemented an updated annual End of Year Review and Goal Setting process that included asking staff to assess themselves against the leadership capabilities and set leadership goals for the year ahead. Performance against individual, team and group goals forms part of the remuneration and performance review process (GRI 404-3 Percentage of employees receiving regular performance and career development reviews; GRI 2-20 Process to determine remuneration).

CAREER PATHWAYS AND SKILLS DEVELOPMENT

Career Development Pathways:

In 2023, Scape developed a training, professional development and career pathways framework called Scape & Ladders Operations Career Development Framework. It shows staff career pathways available to team members at Scape as well as the skills, behaviours, experiences and learning gained and demonstrated for each role within the career pathways.

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Leadership and Capability Framework:

In 2023, Scape launched a 'We Are All Leaders' Capability Framework which clearly articulates the expectations of our leaders as well as the tools, resources and initiatives we provide to support leaders to meet these expectations and to have impact.

Learning and Development

Calendar: Throughout 2023, Scape offered professional development opportunities, face-to-face courses and on-line modules designed to build the confidence and capability of our leaders, with a focus on further developing the shared critical leadership capabilities. (GRI 404-2 Programs for upgrading employee skills and transition assistance programs).

TALENT ACQUISITION

Background Checks: Scape carried out external background checks on senior management and finance staff both before employment and at periodic intervals during 2023. The updated background checking process is implemented by Scape's People team.

Recruitment and Attraction: Our Scape job advertisements, careers site and position descriptions have been updated to reflect the leadership capability framework and the shared leadership capabilities.

Applicant Tracking System: In 2023, Scape introduced an Applicant Tracking System called LiveHire which is cloud-based software that helps manage the recruitment and hiring process. This system helps Scape consistently implement recruitment procedures, support managers to review candidates and progress the recruitment process, as well enhancing the experience for both successful and unsuccessful candidates experience. Since the ATS went live on 30 June 2023 Scape has:

- successfully filled 157 positions
- registered 15,000+ candidates in our candidate database, providing us with a vast pool of talent to tap into meaning less spend on external job boards
- streamlined our recruitment process, enhancing efficiency and effectiveness
- improved access to recruitment data and statistics, helping our teams make data-driven decisions in our recruitment strategies

INTERNSHIPS

A Scape internship program took place in early 2023 and early 2024. A six-week internship at Scape headquarters was advertised to our existing residents. Over 300 applicants applied, with six being selected. The internship ran in February 2023, culminating in a group presentation to Scape's founders and senior leaders providing ideas on opportunities for improvement from an existing resident's perspective. Interns were placed in a variety of departments including People, Legal, Marketing, Leasing, Development and Technology.

EMPLOYEE RETENTION AND TURNOVER

Retention: In 2023, total full time equivalent employees was 383 with a turnover of 28% (over a 12 month rolling average). Of the 28% turnover:

- 29% were planned.
- 71% were regrettable.

Specifically, within that 28% turnover, 79% (or 22% of the 28%) were within Operations.

Scape's 28% turnover compares to a benchmark in the wider Australian workforce from the December 2023 quarterly AHRI (best practice Australian HR research leader) workforce report:

- average employee turnover rate in Australian workplaces, for the 12 months to the end of October 2023, was 14%; and a quarter (25%) of organisations reported that annual average employee turnover was 20% and above.

Recognition: In May 2023, Scape launched an engagement and recognition tool – Bonusly, which provides team members with the opportunity to share news, celebrate wins and acknowledge and thank one another.

ESG RESOURCING AND GOVERNANCE

ESG Resource: Scape appointed Chris Nunn as General Manager of ESG commencing in Q1 2023 reporting to CEO, Anouk Darling. The GM ESG is responsible for ESG integration across investment management, development and operations teams working closely with the COO, Investment Managers, National Operations Manager, National Facilities Manager, Training Manager, Wellbeing Manager, State Operations

Managers, Asset Operations managers, Operations Supervisors, Customer Experience Managers, People and Culture team and Marketing and Communications team. The General Manager ESG is a member of the SLT, where ESG matters are discussed at monthly meetings. A regular ESG update is provided as part of quarterly reporting to investors. Where relevant ESG matters are also reported on via the Risk Committee.

Sarah Carracher works for Scape as an ESG Consultant and is responsible for driving circular economy, recycling and waste initiatives including:

- collection and recycling of bottles and cans eligible for container deposit schemes
- eWaste and battery collection under the Battery Stewardship program partnership
- sustainability stations for gathering unwanted but reusable items from outgoing residents for donation to new residents and managing charitable partnerships including Red Nose, Salvation Army, St Vincent de Paul, Mission Beat, Treasure Box, Revolve Recycling
- circular economy materials recovery and re-manufacturing including the green ceramics and HDPE plastic products partnerships

- food waste donations to OzHarvest
- bee hives and products
- Reconciliation Action Plan working group member
- Green Star new construction and operational asset certification documentation including developing operating guidelines

The Scape Board, Executives and the Risk Committee delegate responsibility for managing the organisation's impacts on the economy, environment, and people, to the SLT, with primary responsibility for managing ESG impacts resting with our GM ESG. The GM ESG reports weekly to the CEO and monthly to the SLT and other leadership committees. The GM reports quarterly to the Board, Investors and the Risk Committee on the management of the organisation's impacts on the economy, environment, and people (Disclosure 2-13 Delegation of responsibility for managing impacts).

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ESG Performance Targets and REM:

In 2023, a comprehensive set of ESG targets and KPIs was developed in 2023 forming part of the group key performance indicators. These ESG KPIs form part of SLT's scorecard both as a team, and their individual KPIs, which are linked to financial and non-financial outcomes as part of the performance review and bonus process. The Short Term and Long Term Incentive plans for each SLT individual are allocated up to 30 June each year, and paid out 40% in year 1, 20% in year 2, 20% in year 3, 20% in year 4. Each member of the SLT is entitled to an annual bonus (STI+LTI) determined by performance in three categories: 1/3 on group KPIs – which include the ESG KPIs; 1/3 on individual KPIs; and 1/3 based on individual outperformance as determined at the discretion of the Board. Non-Financial KPIs account for 20% of the group KPI component (1/3), of which there are three categories, one of which is the ESG KPIs, which include performance targets under Environmental, Social and Governance headings. ESG Criteria have also been included in Operations leadership and frontline staff responsibilities as part of general duties, forming part of their normal performance review (GRI 2-19 Remuneration policies).

TRAINING

RISK AND COMPLIANCE AND WHS TRAINING

Mandatory Compliance Training:

Scape carries out annual in-person mandatory compliance training for all staff to embed our policy commitments for responsible business conduct throughout our activities and business relationships. Mandatory compliance training for all staff was conducted on March and April 2023. The training session covers regulatory compliance topics such as privacy law, anti-modern slavery laws, anti-bribery and anti-corruption, work health and safety, discrimination, harassment, and bullying, and information on Scape's Code of Conduct and associated policies. These policies set out Scape's standards and expectations regarding how Scape team members interact with each other, stakeholders, and the broader community including training on anti-corruption (GRI 2-24 Embedding policy commitments; GRI 205-2 Communication and training about anti-corruption policies and procedures).

Learning Management System:

In 2023 Scape implemented a new learning management and training platform—Litmos. It is used to create user-specific training profiles, deliver content, and record attendance.

WHS Training: Scape delivered improved Workplace Health and Safety (WHS) training was delivered to Scape staff both in-person and via online training modules. In 2023, 2,542 safety-related courses were completed via our online training platform Scape Academy. Examples of training topics covered included: personal protective equipment, manual handling, first aid, chemical handling and materials safety data sheets, food safety, ladder safety, incident reporting, workplace ergonomics and training in using the personal duress alarms, fire panel training, emergency evacuations procedure, and emergency preparedness. An in-person personal safety training workshop was attended by 187 team members which focused on skills to enhance team members personal safety in challenging and potentially confrontational situations. Topics covered include conflict de-escalation, situational awareness, preparing for difficult situations and safe planning. Team members received life skills which they can utilise both inside and outside the work environment. The learning management system provides internal reporting to the training manager on courses attended and certifications achieved for each individual, along with course completion rates and notifications of upcoming expiries of relevant compliance certifications (GRI 403-5 Worker training on occupational health and safety).

In 2023, Scape staff achieved:

- 1,310 attendances at face-to-face training events
- 4,449 e-learning modules
- 259 first aid qualifications
- 241 personal safety training certificates
- 479 fire warden and emergency preparedness participants
- 285 mental health workshop participants
- 46 mental health first aid qualifications

Mental Health Training: A customised in-person mental health awareness training module was provided with 273 team members attending training on strategies to understand the warning signs of mental health issues in residents. It also focused on showcasing how to deal with specific mental health scenarios in the residential community, providing team members with a clear understanding of how to assist residents who may be having mental health issues. Furthermore, it provided team members with knowledge of local professional mental health services that residents could access.

Employee Inductions: Scape conducts an induction and onboarding program for new employees combined with annual mandatory compliance refresher training for all staff.

In 2023, the average hours of training per employee was:

- Full time operations employees = average of 39.5 hours training per employee
- Part time operations employees = average of 22 hours training per employee
- New employees = average of 152 hours (additional to above) of face-to-face buddy training for customer experience roles
- (GRI 404-1 Average hours of training per year per employee)

SYSTEMS, PROCESSES AND POLICIES

RISK AND COMPLIANCE

Non-Compliance: Scape is committed to remediation of negative environmental or social impacts it may cause or contribute to (GRI 2-25 Processes to remediate negative impacts). However, there were no significant instances of non-compliance with laws and regulations for which fines were incurred or other non-monetary sanctions were imposed or other significant instances of non-compliance during the reporting period (GRI 2-27 Compliance with laws and regulations).

Risk Committee: While risk management is the collective responsibility of all managers within the business, the Scape Australia Management Board appointed a Risk Committee in 2020 to closely manage the business risks. In accordance with its Charter, the Scape Risk Committee meets quarterly and reports directly to the Board.

Risk Framework: Risk Management is a constantly evolving task and at Scape. We are constantly revisiting our processes and procedures to mitigate and minimize risks. Scape conducts its risk management work in line with its Risk Framework. The Risk Framework

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includes the following key documents:

- Risk Framework Statement
- Risk Policy
- Risk Appetite Statement
- Risk Register

Scape's Risk Committee meets quarterly and a risk report is included in the Quarterly Board papers. Scape's risk committee standing agenda items include:

- Risk management
- Material litigation
- Risk appetite statement
- Risk register
- Operational due diligence
- Insurance – including status of insurance policies and any claims
- Technology – including external audits, annual penetration testing, information security gap analysis, ransomware preparedness, IT security and data privacy training, disaster recovery and business continuity, information security incident reporting

- Operational risk management, including monthly national management workplace health and safety meetings, weekly asset level property toolbox talks and monthly state WHS meetings
- Asset audits and inspections including fire safety, electrical safety
- Health and safety incident reporting including incident reporting by type, severity (low, med, high), and per asset with a summary of all high risk incidents and corrective actions reported both to the Risk Committee and the Board of Directors
- Compliance including Australian Financial Services License, mandatory compliance training, people and culture team compliance including performance reviews, career development, retention and resourcing
- Training
- Internal Audit
- Any other business

Asset Audits: A new process of asset level operational audits has been introduced, including a detailed Scape Property Management Inspection Report, covering key risk and compliance matters.

Annual Compliance Checklist: Scape maintains and updates a Risk and Compliance Checklist, prepared with the advice of external legal counsel. It contains a detailed list of activities that are carried out annually to monitor and uphold legal compliance and risk management processes.

Risk Qualification: Scape's GM ESG, Chris Nunn, obtained a Certificate in Governance and Risk Management from the Governance Institute of Australia in Q4-23.

Internal Audit: In 2023, Internal Auditors KPMG were appointed to review Scape's risk and compliance policies and processes and provide recommendations for further improvements. The initial Internal Audit findings are expected by end of Q2 2024.

SLL Audit: Separately, in late 2023 and early 2024, EY concluded an Audit to provide assurance that Scape met the ESG targets associated with our Sustainability Linked Loan: verification of the number of assets that have switched to renewable electricity procurement; and the number of operational assets rated using Green Star Performance.

Monitoring Changing ESG Regulations:

In relation to ESG-related regulatory risk, Scape has a comprehensive ESG policy, strategy and targets and is taking strong action to decarbonise its portfolio. We take account of potential impacts on the portfolio of changing policy or regulatory obligations by monitoring both Australian and International ESG regulations and policy developments. Scape's Head of ESG monitors relevant Commonwealth and State government policy, law and regulatory developments, as well as international standards and aligns the Scape ESG Strategy and Targets to comply with and be substantially more ambitious than regulatory requirements thereby anticipating future regulatory interventions to minimise the risk of potentially disruptive regulatory compliance obligations. Scape is a member of the Property Council of Australia and participate in a number of committees through which we receive briefings including the National Sustainability Roundtable and the Chief Risk Officers' Roundtable.

INCIDENT MANAGEMENT AND REPORTING

Scape have a process to identify work-related hazards and assess risks on a routine and non-routine basis, and we apply a hierarchy of controls in order to, as far as possible, eliminate hazards and minimize risks. Scape use an incident management system (Rapid) to report, investigate and close out incidents, hazards and near miss events. Relevant staff members record details of all incidents in the system. The system automatically notifies relevant team members of the incident. Scape's COO - Operations, National Operations Manager and State Operations Managers monitor all incidents and oversee the response, close out and follow up actions. The platform provides graphs of incidents by type and location, which are reported to the risk committee. The risk committee papers include extracts of every high risk incidents for review and discussion in the risk meetings. Incidents are reported to the Risk Committee, and high risk incidents are reported to the Board of Directors to meet their governance obligations. We evaluate, review and aim to continually improve the occupational health and safety management system through regular reviews by the WHS committee and Risk Committee. The operations team investigates all work-

related incidents, including identifying hazards and assessing risks relating to the incidents recorded in the Rapid system, and we determine corrective actions, controls, and improvements needed in the occupational health and safety management system in consultation through the monthly WHS committee meetings (GRI 403-2 Hazard identification, risk assessment, and incident investigation). Any critical concerns are communicated to the highest governance body immediately by email, text or message to the Chairman of the Board and other relevant SLT (Senior Leadership Team) members (GRI 2-16 Communication of critical concerns).

Scape also has internal policy documents that set out processes and provide guidance to Scape team members on how to address and report on controversies and misconduct. These include Scape's Issue Resolution Policy, Incident Reporting Framework, and its Whistleblower Policy. Workers can report work-related hazards and hazardous situations through Scape's incident reporting tool – Rapid. In the event the worker is concerned for any possible repercussions, they may report matters anonymously using our Whistleblower Policy and process.

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Whistleblower Policy: At Scape, we believe that everyone has the right to raise concerns without fear of retribution. Scape has a comprehensive whistleblowing regime governed by our Whistleblowing Policy. Our Group COO and General Counsel, Ben Valencia-Klug, is the Whistleblower Officer. Our staff receive training annually to ensure they are aware of the Whistleblowing process. The Whistleblower Policy sets out the process for Scape team members to make 'Protected Disclosures' on 'Reportable Conduct'. This enables individuals to safely and confidentially report any wrongdoing or unethical behaviour within our organisation without fear of recrimination. Through these initiatives, Scape maintains a vigilant stance on risk mitigation, compliance with regulatory standards, and the promotion of a culture of integrity and accountability within our organisation (GRI 403-2 Hazard identification, risk assessment, and incident investigation).

PRIVACY AND INFORMATION SECURITY

Scape has a comprehensive privacy policy which addresses the ways in which Scape collects, holds, uses, transfers, and discloses personal information. Our privacy policy was developed in collaboration with external expert legal advisors on privacy law.

Scape's privacy policy is compliant with both Australian privacy legislation and the European Union's 'General Data Protection Regulations'. It is publicly available on Scape's website.

Scape's legal counsel acts as the 'Privacy Officer' for Scape. Our Privacy Officer also manages Scape's publicly available 'Privacy Inbox', which is the contact portal for any privacy concerns of our staff, residents, partners, and the public.

All Scape staff are trained on privacy laws and regulations on an annual basis as part of our Annual Compliance Training.

In 2023, there were no identified leaks, thefts, or losses of customer data, and no substantiated complaints received by Scape concerning breaches of customer privacy, neither from outside parties and substantiated by the organisation nor from regulatory bodies (GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data).

The Scape Technology team centrally manage, monitor and proactively mitigate information security risk with various control measures which include:

- Vulnerability Scanning and Patch Management Systems
- Centralised NOC (Network Operations Centre) monitoring for system anomalies within our networks.
- DRIP Compliance (Data Retention Implementation Plan) via our partner ISPs.
- Information Security Awareness Training for all Scape Employees via our Information Security Awareness Strategy
- Adhering to the Australian Signals Directorate Essential 8 best practice security model (ASD Essential 8)

In 2023, a phishing scam simulation was also run to test staff's level of vulnerability to social engineering approaches. Backup Restoration Testing was successfully carried out to test the integrity of the File Server (SharePoint) as well as email backup systems to test the integrity of server backups.

An external penetration test was carried out against our public facing website and web tools to test for vulnerabilities.

In 2024, Scape will appoint external IT auditors to conduct an information security gap analysis and a ransomware preparedness audit to assess Scape against a set of criteria which includes the Australian Signals Directorate Essential 8 and also NIST (US Govt. National Institute of Standards and Technology) best practices for information security.



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Human Resources Information System

The Scape People Team have implemented a single human resources information system, ConnX, to record employee emergency details to leave balances, all human resources data is carefully managed in this system.

Criminal History Checks

As part of our risk minimization strategy, Scape plays it safe when recruiting new members to our team and ensures that relevant roles require a criminal history check before the individual is onboarded. We also carry out annual criminal checks on key employees.

Working with Children Compliance

Scape team members in our operational assets are required to hold relevant 'working with children' checks and provide proof of this as part of their recruitment/onboarding process.

We Remunerate Fairly

Scape conducts annual reviews of award classifications and wages to ensure that we are remunerating our staff in accordance with all laws and regulations. We have policies and practices to prevent bias or discrimination in remuneration, which has no place in our annual remuneration reviews. Scape uses a single secure online payroll system which provides additional support in ensuring compliance with employee entitlements.

COMPLAINTS AND FEEDBACK PROCESSES

Complaints by residents are recorded in the FreshDesk customer relationship management ticketing system for student complaints or requests. This customer relationship management system (CRM) is linked to Service Now our work order system so if a complaint requires rectification works, the complaint is linked to the work order.

Complaints by staff are handled by the people team. Scape's whistleblowing process is available to anonymously report any breach, complaint or provide feedback without fear of individual repercussions. A 'Suggestion Box' form on the intranet site is available to all staff to raise issues and make suggestions for improvement. Relevant members of the Senior Leadership Team (e.g. GM Leasing, GM People, National Operations Manager) review and address grievances, including periodic review of the effectiveness of our grievance mechanisms (GRI 2-25 Processes to remediate negative impacts).

Business Continuity Plan

Scape has a business continuity plan (BCP) which contains information and processes required to get Scape up and running again after an incident or crisis. Backup and Technology Disaster Recovery Plans form a large part of the BCP and are tested regularly.

Delegation of Authority

Scape has in place delegations of authority which operate as an internal check for ensuring appropriate approvals are received before agreements are executed or financial commitments are made. Broken down by roles, business units, and financial value, the delegation of authority document is a formal safeguard to ensure greater levels of internal corporate and financial compliance.

Policies

Scape's policies include:

- Employee Code of Conduct
- Anti-Bribery and Anti-Corruption Policy
- Drug and Alcohol Policy
- Gifts and Entertainment Policy
- Issue Resolution Policy
- Leave Policy
- Modern Slavery Policy
- Risk Management Policy
- Risk Appetite Statement
- Risk Management Framework
- Technology Policy
- Whistleblowing Policy
- Work Health and Safety Policy
- Workplace Behaviour Policy
- Workplace Surveillance and CCTV Policy

Governance Structure

Scape's governance framework supports our business, our residents, our investors, and our people to ensure that we can be the *Earth's best living company*. To ensure that we continue to meet emerging corporate governance practices, regulatory requirements, market practice, and community expectations, we regularly review our governance policies and practices. At Scape, our governance framework and any engagement with regulatory bodies is managed by our Legal Team.

Board

The Scape Board provides leadership and strategic oversight and guidance for the Scape Group of companies in addition to overseeing the effective management of the Group and delivery of living values and our vision to be the *Earth's best living company*.

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Membership of the board includes the four founders of the Scape business together with valued shareholder representatives:

- **Craig Carracher**, Executive Chairman, Co-Founder
- **Stephen Gaitanos**, Managing Director, Group Chief Executive Officer, Co-Founder
- **Nigel Taae**, Director, Global Chairman, Co-Founder
- **Tom Ward**, Director, Global Chief Executive Officer, Co-Founder
- **Brian Hung**, Director, Senior Portfolio Manager, APG Asset Management
- **Laurent Jacquemin**, Director, Head of Asia-Pacific, Real Assets – AXA IM Real Assets
- **Francois Trausch**, CEO PIMCO Prime Real Estate (formerly Allianz Real Estate)

Scape's Chair of the Board is also a senior executive in the organisation, and a key decision maker within the organisation's management. Actual or perceived how conflicts of interest are identified, prevented and mitigated through the Risk Committee (GRI Disclosure 2-11 Chair of the highest governance body).

The Executive periodically reviews and updates the organisation's purpose, value or mission statements, strategies, policies, and goals related to sustainable development, subject to Board approval. Transaction due diligence and other processes to identify and manage the organisation's impacts on the economy, environment, and people are managed by the investment management and development teams, with oversight and approval by the Board (GRI Disclosure 2-12 Role of the highest governance body).

Decision Making

Key decisions at the Management level and joint venture level require approval of shareholders/investors through the Advisory Committee/Investment Committee process. While Scape typically takes a consensus approach to material decision-making, the governance structures of Scape's joint venture ensure that there is always the safety net of consultation and collective decision-making (GRI Disclosure 2-9 Governance structure and composition).

Regular Independent Valuations

Scape commissions annual independent valuations of its assets, using only the most experienced valuers (e.g. JLL, Colliers, CBRE, Knight Frank, Savills). We also commission independent valuations during capital raisings and related-party transactions to ensure transparent, equitable outcomes for all investors across our multiple investment vehicles.

Top-Tier Advisors

Scape is supported by top-tier external advisors including Herbert Smith Freehills (legal), Ashurst (legal), Norton Rose Fulbright (legal), Mills Oakley (legal), Greenwoods+HSF (tax), EY (audit), Morgan Stanley (transaction advisory), Moelis (transaction advisory).

External Trustee

Demonstrating our commitment to best practice governance, Scape engages ASX-listed Perpetual Corporate Trust as external trustee of our three funds. Perpetual performs multiple compliance services for Scape including KYC and AML processes.

Annual Audit

Scape commissions annual external audits of all its entities, using only the Big-4 audit firms (PwC, Deloitte, KPMG and EY). We ensure audit independence by ensuring fees paid to our auditors are never outweighed by fees paid to them for non-audit services.

Comprehensive Investor Communication

At Scape, we periodically report on our investment vehicles, including annual business plans, audited financial statements, and quarterly reporting. We also keep our investors informed of all material new information, such as relevant changes in government policy, through frequent communication including our Annual Property Compendium and Annual Review.

Strategic Consultation with Investors

We regularly consult with our investors during the preparation of major financial and operational proposals, prior to seeking formal approval from the investment committee. At Scape, we believe it is critical to provide our investors with the opportunity to provide early input.

Internal Investment Committee

Scape's internal investment committee rigorously debates the merits of all proposals before strategic consultation with investors. Each member of our Executive Team is involved in the internal investment committee process.

Conflict Management

As with all managers of multiple joint ventures, there is a natural risk of conflicts arising. In order to manage these risks, Scape has a conflicts policy, procedure, and register, managed by the General Counsel, to ensure that any conflicts arising are dealt with in a transparent and appropriate manner.

Ongoing Adherence to AFSL Requirements

Following the grant of an AFSL (Australian Financial Services Licence) to Scape Australia Management Pty Ltd in 2020, Scape has implemented a strict compliance framework to ensure all AFSL regulations are complied with, including by way of active monitoring of the compliance manual and calendar provided by the Ashurst Risk Advisory team, containing various policies and statements and a calendar tool to manage and implement ongoing compliance with the AFSL.

Annual AFSL Training: Scape conducts annual training to Responsible Managers under its AFSL and other relevant staff. Training is delivered by Ashurst's external advisory team to ensure independent compliance standards are met.

AFSL Compliance Statement: To give additional comfort to the Scape Board in respect of AFSL compliance, each quarter the Chief Financial Officer and General Counsel table an AFSL compliance statement.

Ongoing adherence to Scape's AFSL policies: To give Scape has measures in place to ensure compliance with our suite of AFSL policies and procedures including the Arrangements for Complying with Conflicts of Interest Policy, Human Resources Capacity Statement, Information Technology Capacity Statement, and Outsourcing Statement.

- AFSL Training Plan for Responsible Managers
- AFSL Compliance Checklist
- AFSL Compliance Statement to the Board
- AFSL Breach Register
- AFSL Complaints Register
- AFSL Conflicts of Interest Register

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- AFSL Responsible Manager Training Register
- Development Program for Responsible Managers
- Compliance Arrangements Policy
- Arrangements For Managing Conflicts of Interest Policy
- Outsourcing Statement
- Program For Monitoring, Supervision and Training of Representatives
- Financial Resources Procedures Policy
- Human Resources Capacity Statement
- Information Technology Capacity Statement
- Risk Management System Statement
- Derivatives Statement

Real Estate Licensing + Residential and Retail Tenancy Compliance

Scape's operations are governed by residential tenancy laws in each state in which it operates. Scape has processes and procedures in place to ensure that leasing arrangements are in strict compliance with all relevant laws, including the terms of leasing arrangements and engagement with tenants throughout the term of their lease.

Scape also has processes in place to ensure it is appropriately licensed in jurisdictions where it is required in order to provide its leasing services.

Corporate Regulator - ASIC

Scape's group of companies are regulated in Australia by the Australian Securities and Investments Commission (ASIC).

Compliance with Australian corporations law and ASIC regulations is managed by Scape's Legal Team.

Company secretarial services are outsourced to BoardRoom, the market leader in Australian corporate services.

Competition Law Compliance

Scape strictly complies with its competition law obligations and is committed to acting as a responsible player in the market. Scape's Legal Team is charged with ensuring ongoing competition compliance and engaging with the Australian Competition and Consumer Commission when required. All Scape staff receive annual training on Australian Consumer Laws and restrictive trade practices.

Audit

The Scape Group of companies (including each of the Group's funds) are audited annually by global financial services firm EY.

TAX

Scape's Chief Financial Officer, Tim Peel, together with his Finance Team, is charged with ensuring compliance with all Australian State and Federal taxation laws. Scape is also advised by leading external taxation advisory firm PriceWaterhouseCoopers.

Scape is committed to conducting its business with honesty, integrity and respect for the law and the communities in which it operates. As part of this commitment, Scape has established various mechanisms to raise concerns about the organisation's business conduct and the organisation's integrity in relation to tax. Scape has tax strategies for each of its funds, determined at the launch of each fund, in discussion with the initial investors in each vehicle. The objective is to ensure that all tax legislation is complied with and the tax risk appetite is low with investors typically requiring conservative tax positions to be taken so as to minimise tax risk.

Tax advice is sought in relation to complex matters, noting that the external investors require Scape to operate the investments in such a way that minimises tax risk, whilst ensuring compliance with tax obligations. In seeking to meet Scape's sustainable development strategies, tax is one consideration but not determinative in developing business and sustainable strategies of the organisation. Specifically, tax outcomes will not drive whether a particular business or sustainable development strategy is pursued. (GRI 207-1 Approach to Tax).

Scape has a tax governance and control framework, overseen by the Investment Committee or Advisory Committee of each fund managed by Scape, who are responsible for tax strategy as any significant change in the business or operations of each funds (eg asset acquisitions or disposals, change in nature of business, capital raising) require approval by the requisite investor governance committee. Responsibility for complying with the tax strategy rests with the Chief Financial Officer and finance team of the Scape Australia as Manager of the Scape Funds. In ensuring compliance with tax strategy Scape engages the support of reputable professional service firms as tax agents and advisors.

Their role is to provide initial advice on the tax consequences of major transactions, assist with post transaction implementation tax focused matters, provide tax clearance letters on all tax computations (e.g. across income tax and GST) and to provide sign off on the tax returns lodged by each entity managed by Scape. Scape is committed to managing its tax risks in a responsible and sustainable manner, in line with its values and stakeholder expectations. Scape's finance and investment management teams are responsible with ensuring compliance with all Australian State and Federal taxation laws. Scape identifies, manages and monitors its tax risks through a combination of internal controls, external advice and regular reporting. Scape engages with its external tax advisors to provide expert guidance and support on complex or uncertain tax matters. Changes to legislation or areas of tax law that have a heightened relevance to Scape are proactively discussed with tax advisors to mitigate the potential risks. Scape has a low tax risk appetite and tolerance embedded in its strategy that reflects its ethical and prudent approach to tax. (GRI 207-2 Tax governance, control, and risk management).

The Investment Committee is a key control in regard to tax matters. The Investment Committee is responsible

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for approving all major investment decisions and transactions, and ensuring that they are aligned with Scape's strategic objectives and ethical principles. The Investment Committee also reviews and approves the tax implications and compliance of the proposed investments, and seeks advice from Scape's external tax advisor when necessary. Investors also seek separate tax advice from their tax advisors in relation to their own investment decisions. In relation to the ongoing obligations of the fund, Scape is required to notify and report any breaches tax risks.

Scape also encourages its employees, contractors, suppliers, and other stakeholders to report any suspected or actual breaches of the organisation's code of conduct, ethical standards, or tax obligations, through a confidential whistleblowing process. Scape staff receive annual training on the whistleblowing process and have the option to raise concerns when necessary.

Scape also ensures its integrity in relation to tax by engaging only the Big-4 audit firms to conduct annual external audits of all its entities. The external audits provide assurance on the accuracy and completeness of the financial statements, and the compliance with the applicable accounting standards and tax laws. Scape is also advised by reputable external advisors, who provide expert advice on the complex and changing tax regulations and obligations that affect the organisation's operations and investments.

Scape tax agents provide tax clearance letters on tax balances at the conclusion of each financial statement audit. Since these funds are unlisted, privately held funds the assurance reports are not available publicly.

Scape engages with tax authorities via the Student Accommodation Council of the Property Council of Australia (PCA) which is the peak-industry body for the purpose-built student accommodation sector. This ensures that Scape engages on matters which are relevant to the industry as a whole rather than seeking preferential treatment. Scape does not engage in significant public policy advocacy on tax of its own right.

To the extent it does engage in public policy advocacy this again is conducted through the Student Accommodation Council of the Property Council of Australia. Scape's most significant external stakeholders with respect to tax are its investors. Scape collects feedback from investors in seeking investor approval for transactions and ultimately this feedback can be determinative in which investments are approved (GRI 207-3 Stakeholder engagement and management of concerns related to tax).

All Scape entities are resident for tax purposes in Australia. There are numerous entities and subsidiary entities across the Scape Funds which are broadly known as Scape Australia Joint Venture 1, Scape Australia Joint Venture 2 and the Scape Core Program. All of the Scape Funds are engaged in owning, developing and operating purpose-built student accommodation. Scape has approximately 800 covering full time, part time and casual staff.

Australia is the only tax jurisdiction where Scape makes financial statements (GRI 207-4 Country-by-country reporting). The time period covered by the information reported above is the Year ended 31 December 2023 (GRI Disclosure 207-4).

Scape's 2023 Sustainability Report has been prepared in accordance with the requirements of the Global Reporting Initiative (GRI). Scape has applied the reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability (GRI Requirement 1).

CONFLICTS OF INTEREST

Scape maintain a conflicts register that is included in Scape's Risk Committee papers each quarter for review and approval by the Risk Committee. Conflicts of interest are prevented and mitigated through disclosure to and review by the Risk Committee and Board (GRI Disclosure 2-15 Conflicts of interest).

ESG POLICY

In 2023, a new ESG framework, policy, strategy and targets were developed and approved. Details about the framework, targets and policy can be found on Scape's website: <https://www.scape.com.au/sustainabilityatscape/> (GRI 2-23 Policy commitments).

ESG DATA SYSTEM

Deepki: In 2023 Scape tendered to the market for provision of an ESG data and reporting software platform to support Scape's ESG reporting and management. A large number of vendors were reviewed, and proposals were invited from seven bidders. A comprehensive evaluation of the features and costs of each platform was developed during 2023, leading to an appointment of the preferred supplier in late 2023. Deepki was selected as the ESG software tool, with the data ingestion and set up process commencing in Q4 2023. The appointment of an ESG data partner will support Scape to automate our process for gathering ESG data, help verify the completeness and accuracy of our ESG data, centralise our process for recording portfolio-wide and asset-specific ESG initiatives, and help us move toward automated ESG reporting for our investors and other stakeholders, and improved transparency of ESG data to inform our operations and management team.

Kinect: A separate service provider Kinect was appointed to scan and validate utility bills, so the data can be ingested into the Deepki platform. Collation and validation of historical utility data commenced in 2023.

Asset ESG Audits

Scape has a monthly Energy Management Committee meeting, attended by the COO, Operations managers and the General Manager ESG.

In 2023, Scape appointed CBRE to carry out energy, water and waste audits at all Scape properties with work commencing in 2024. This will help Scape identify opportunities for improvement to our core ESG performance metrics of energy, waste and water efficiency.

ESG Clauses in Leases

Scape's resident lease agreement requires our tenants to comply with Scape's Community Guidelines and Resident Handbook. The Resident Handbook includes relevant Scape ESG expectations of residents, which include energy and water efficient behaviours and waste and recycling good practice. Scape communicates our ESG objectives to our student residents, and we expect their cooperation with the requirements in our Lease agreements and Resident Handbook.

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TRANSPARENCY AND ACCOUNTABILITY

ANNUAL SUSTAINABILITY REPORT

Scape is committed to transparent disclosure of our ESG performance, using metrics and methods of measurement aligned with global best practice including the Global Reporting Initiative (GRI), the Global Real Estate Sustainability Benchmark (GRESB), the EU Sustainable Finance Disclosure Regulation (SFDR). Scape has produced this annual sustainability report aligned with the Global Reporting Initiative (GRI) and the Task Force on Climate Related Financial Disclosures (TCFD). A GRI index is included in this document as a series of references after each relevant disclosure. Scape will notify GRI of our use of the GRI Standards by sending an email to reportregistration@globalreporting.org.

GRESB

Scape has participated in the Global Real Estate Sustainability Benchmark (GRESB) since 2020, and is committed to participating in GRESB annually. Scape completes the GRESB Operational Benchmark for all operational assets, and the GRESB Development section annually for all new build projects that are in construction in the reporting period. We strive for continuous improvement.

In Q2 2023 Scape completed the 2023 GRESB submissions covering calendar 2022 performance for the Scape Core Fund, JV1 and JV2 entities. In 2023 the Core Fund held 27 out of 34 operational assets, while JV1 and JV2 each hold a number of development sites and 3 operational assets each.

In 2023 Scape also made an SFDR (EU Sustainable Finance Disclosure Regulations) submission for each of the three funds using GRESB's SFDR reporting module.

GRESB results were received in Q3 2023.

JV1 and JV2 were named “Global Sector Leader – Residential Developments” with a score of 99/100 in the Development Benchmark and a 5 Star rating (top 20% of participants) in the 2023 GRESB Real Estate Assessment Results. JV1 and JV2 were placed equal first out of 28 globally in the Residential, non-listed, opportunistic category, and first out of six peers within the Oceania region.

The Core Fund 2023 GRESB Operational Benchmark result is 75 / 100 (3 Star), down from 79 in 2022. In the operational benchmark, Scape's Management Score was 29/30 (up from 26/30) reflecting improved ESG framework, targets, policies, reporting, risk management, stakeholder engagement and resourcing. The Performance Score was 46/70 (down from 53/70). The Performance score dropped due to increased occupancy levels from 2021 to 2022 resulting in higher utility consumption. This GRESB result compares calendar 2021 to 2022. Due to the impacts of COVID-19, in 2021 Scape's average occupancy was very low, and rose in 2022, but still to a level well below full occupancy. As the buildings' occupancy increased, they used more energy and water and generated more waste and more GHG emissions.



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This adversely affects the GRESB score, because GRESB's 'like-for-like' score calculations are NOT normalised for occupancy. GRESB only consider the % change in total consumption e.g. energy/m² from one year to the next. GRESB have made no adjustments to their scoring to account for COVID related impacts. When occupancy goes up, consumption per m² increases (i.e. energy, GHG, water and waste metrics per m² of GFA increase) and the 'like for like' scores get worse, driving the overall performance score down. This is likely to happen again next year as we see increased occupancy rates from 2022 to 2023.

Activities planned for 2024 to improve Scape's Operational Benchmark scores include:

- Obtaining Green Star Performance ratings for more of our operational assets
- Switching to 100% renewable electricity procurement
- Undertaking a review of building management systems, controls settings and metering
- Carrying out energy, water and waste audits that will identify opportunities for performance improvement

SFDR REPORTING

European Union (EU) Regulation 2019/2088 on sustainability-related disclosures in the financial services sector, known as the Sustainable Finance Disclosure Regulation (SFDR) requires asset managers such as Scape to disclose how we integrate sustainability risks and opportunities into investment decisions, as well as the impact of these factors on the returns of the investments. This information is to be provided to investors and potential investors in a clear and concise manner. The SFDR establishes the taxonomy (Article 6, 8 and 9) to provide consistent definitions about sustainable investments. It requires financial market participants to disclose the degree to which their investments are aligned with the taxonomy. The SFDR establishes minimum disclosure requirements for financial products that promote environmental or social characteristics, as well as products that have a sustainable investment objective.

Annex 1 of the SFDR contains information on preparing a Principal Adverse Impacts (PAI) statement, and Table 1, contains the mandatory indicators, while Table 2 contains optional climate and other environment-related indicators and Table 3 contains the optional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters. For the mandatory indicators it is required to specify the 'actions taken' to support sustainability and also the 'actions planned and targets set for the next reference period'.

Scape used the GRESB SFDR reporting solution to reporting on product-level Principal Adverse Impacts (PAIs) for Real Estate this includes the PAI indicators that are directly applicable to investments in real estate assets namely indicators 17 and 18 from Table 1, Indicators 18-22 of Table 2, as well as the ability to report on any of the non-mandatory indicators present in Table 3. More information here: <https://www.gresb.com/nl-en/products/sfdr-reporting/>

5 STAR GREEN STAR (NEW BUILDS)

Scape has a target to achieve 5 Star Green Star ratings on all new developments from 2023 and Green Star Performance ratings for all operational assets by 2026.

Scape Lincoln: On 27 Jan 2023, Scape Lincoln College achieved a Green Star 5 Star Design and As-Built v1.2 rating (Green Building Council Australia) with 61 points.

Scape Franklin: A certified Green Star Design and As Built rating was awarded to the Scape Franklin development by the Green Building Council Australia on 20 June 2023 with a score of 60 points, and a 5 Star rating.

Scape developments at Scape Victoria Street, Scape Kingsford, Scape Kensington, Scape Leicester, Scape Lachlan and Scape Lincoln College are all pursuing 5 Star Green Star ratings.

GREEN STAR PERFORMANCE (EXISTING BUILDINGS)

In Q4 2023, Scape obtained Green Star Performance ratings for three Core Program assets: Scape at University of Adelaide, Scape Southbank and Scape Swanston.

PUBLIC COMMITMENTS

WGBC NZCB: In 2023, Scape became a signatory to the World Green Building Council Net Zero Carbon Buildings Commitment (WGBC NZCB) which is aligned with our ESG Targets, including achieving zero net operational carbon emissions by 2030 latest, and for new developments to reduce embodied carbon emissions by 2030 (GRI 2-28 Membership associations).

SUSTAINABILITY LINKED LOAN (SLL)

In Q3 2023, Scape converted the main \$1.4bn debt facility to a Sustainability Linked Loan (21 Sept 2023 close). The terms provide for a 5 basis point interest margin reduction if Scape switches Core Fund assets to renewable electricity contracts and obtain Green Star Performance ratings by 2025.

In Q4 2023, Scape satisfied the 2023 Sustainability Performance Targets (SPTs) under Scape's Sustainability Linked Loan i.e.

- >3% of assets procuring 100% renewable electricity (achieved 1 Dec 2023)
- >10% of assets rated using Green Star Performance (achieved 5 Dec 2023)

APPENDIX

APPENDIX 1: CLIMATE RELATED RISK ANALYSIS

Climate-Related Hazards	Flooding and Sea Level Rise	Storms	Heatwaves	Bushfires
Description of potential climate-related physical risks	Sea level rise causing inundation of assets; increased risk of flooding at high tide events or combination of high tides with storm events; coastal erosion or sea water affecting local infrastructure	Increased frequency and severity of storms; wind speed, rain and hail volumes overwhelming drainage systems resulting in collapse, failure or overflow of gutters, downpipes, and stormwater discharge systems; higher wind speeds; hail - damage to glass, metal, vehicles etc from severe hail; blackouts / loss of power; access restrictions and disruption to building operation due to local flood / rainfall impacts on direct or indirect access to the building, including disruption of transport networks serving the building / occupants; supply chain disruption; employee absenteeism due to inability to get to work, in ability to access assets, or need to remain home to clean up or repair damage to homes	Rising average temperatures, hotter maximum temperatures, more days of extreme heat and longer duration heatwaves causing greater demand for cooling, and increased energy demand. Heatwaves causing discomfort to residents.	Bushfires and smoke—direct fire risk to the property from adjacent / nearby bushland; smoke impacts affecting indoor air quality; increased need to change / upgrade filters on ventilation systems
Current state	Floods: physical risk to assets assessed against 1 in 100 flood level; Increases very likely for coastal flooding (based on the rate of sea level rise) and small-scale flash floods (based on extreme rainfall increases). Average sea level increased by 3.1 mm/year during 1993-2009; and 3.4mm per year from 1993-2019. Predicted sea level rise of 7cm to 20cm by 2030.	Extreme rainfall: variable by location Average annual rainfall predicted to decrease overall; drier in south and east of Australia overall North: average 956mm annual rainfall: -9 to +4% change (1986-2005). East: average 760mm annual rainfall: -13 to +5% change (1986-2005) South: average 760mm annual rainfall: -9 to +2 % change (1986-2005) Hail: about 5-10 hail storms in Eastern regions and 0-5 per year elsewhere; low confidence in predictions, but little expected change East Coast Lows: 20-30 per year with 2-3 intense storms impacting on land Cyclones: 10-11 cyclones per year between 10-20 deg South (from Nth tip of QLD, down to Airlie Beach), less common down to 30 deg South (including BNE, Gold Coast down to Coffs Harbour in NSW)	Observed average annual temperature increase of 1.4 deg C since 1910. Predicted to increase by 0.6 to 1.3 deg C by 2030 North: average temp 26 deg C; 31% time in drought; 4 days >35 deg C per year East: average temp 20 deg C; 39% time in drought; 5 days >35 deg C per year South: average temp 16 deg C; 35% time in drought; 17 days >35 deg C per year	Extreme fire weather days: about 18 days per year; med-high confidence of a 15-20% increase by 2030

APPENDIX 1: CLIMATE RELATED RISK ANALYSIS

Climate-Related Hazards	Flooding and Sea Level Rise		Storms		Heatwaves		Bushfires	
	2050	2090	2050	2090	2050	2090	2050	2090
Low range scenario AR6 SSP1-2.6 (1.3-2.4 deg C by 2100)	Predicted sea level rise of 10cm to 30cm by 2050.	Floods: 1 in 100 becomes annual event by 2100 Predicted sea level rise of 20cm to 60cm by 2090.	Extreme rainfall: +10% hourly and +7% daily increase Less overall rainfall in south and east East Coast Lows: -10% Cyclones: Little change or small increase and small expansion south	Extreme rainfall: +10% hourly and +7% daily increase Less overall rainfall in south and east East coast lows: -10% Cyclones: Little change or small increase and small expansion south	North: average temp +0.7-1.5 deg C i.e. 27.5 deg C; +5-15 days >35 deg C per year, i.e. up to 29 days East: average temp +0.7-1.5 deg C i.e. 21.5 deg C; 8-12 days >35 deg C per year South: average temp +0.6-1.1 deg C i.e. 17.1 deg C; 20-27 days >35 deg C per year	Significant increase in time in drought in many regions North: average temp +0.5-1.5 deg C i.e. 27.5 deg C; +5-15 days >35 deg C per year, i.e. up to 29 days East: average temp +0.6-1.6 deg C i.e. 21.6 deg C; 8-13 days >35 deg C per year South: average temp +0.5-1.4 deg C i.e. 17.4 deg C; 21-28 days >35 deg C per year	15-20% increase by 2050	15-20% increase by 2090
High range scenario AR6 SSP5-8.5 (3.3-5.7 deg C by 2100)	Floods: 1 in 100 becomes annual event by 2050 Predicted sea level rise of 10cm to 30cm by 2050	Predicted sea level rise of 40cm to 1m by 2090	Extreme rainfall: +20% hourly and +15% daily increase Less overall rainfall in south an east East Coast Lows: -20% Cyclones: Little change or some increase and southward expansion	Extreme rainfall: +35% hourly and +25% daily increase Less overall rainfall in south an east East Coast Lows: -35% Cyclones: Little change or small increase and southward expansion	1.3 to 2.3 deg C annual average temp increase North: average temp +1.3-2.3 deg C i.e. 28.3 deg C ; 21-38% time in drought; +10-30 days >35 deg C per year, i.e. up to 34 days > 35 deg C East: average temp +1.3-2.3 deg C i.e. 23.3 deg C; 9-14 days >35 deg C per year; 36-57% time in drought South: average temp +1.3-2.0 deg C i.e. 18 deg C average; 24-33 days >35 deg C per year; 41-51% time in drought	2.7 to 4.9 deg C annual average temp increase Significant increase in time in drought in many regions North: average temp +2.7-4.9 deg C i.e. 30.9 deg C ; 10-57% time in drought ; +25-100 days >35 deg C per year, i.e. up to 104 days >35 deg C per year East: average temp +2.8-5.0 deg C i.e. to 25 deg C average; 15-30 days >35 deg C per year; 29-65% time in drought South: average temp +2.7-4.2 deg C i.e. 20.2 deg C; 30-49 days >35 deg C per year; 45-61% time in drought	30-40% increase by 2050	55%-75% increase by 2090

APPENDIX 1: CLIMATE RELATED RISK ANALYSIS

Legend

1st and 2nd columns: 1=Low; 2=Med; 3=High

3rd column: 1=Low; 9=High

4th column: 1=Long (20+ years); 2=Med (5-20 years); 3=Short (0-5 years)

Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Transition Risks	Policy and Legal Risk					
	Transition Policy					
	a) Increased GHG, transition and adaptation reporting and disclosure obligations	Higher compliance costs: legal advice, internal and external resources required to gather data and prepare reporting, GHG data service subscription costs	3	1	3	3
	b) Building code energy efficiency stringency / trajectory to zero carbon	Higher construction costs to achieve at or above increasingly stringent building codes - both for zero carbon operation, zero embodied carbon, zero carbon construction process, and for increased resilience measures (drainage, wind loads, HVAC systems, backup power and islanding for blackouts)	3	1	3	3
	c) Planning law stringency—stricter constraints on new buildings relating to energy efficiency, zero carbon operation, and embodied carbon	Gas fired equipment for heating systems is Scape's largest Scope 1 emissions source. Over time, we aim to eliminate Scope 1 GHG emissions by phasing out fossil fuel use from all buildings. This will take time. As gas fired boilers come to the end of life, we'll evaluate the technical feasibility of replacing them with electric heat pumps. Similarly, as air conditioning equipment reaches end of life, we'll explore replacing it with equipment using HFOs or CO ₂ as the working refrigerant	3	1	3	3
	d) Refrigerant phase down (Montreal and Kigali)	Need to specify HFO or low GWP refrigerant systems on all new construction and end of life HVAC system replacements	3	1	3	2
	e) Mandatory renewable electricity (43% reduction by 2030 v 2005; Net Zero by 2050)	Potentially higher energy costs to procure 100% renewable electricity, firmed by renewables, and in future—move to instantaneous net zero may require higher firming costs	3	1	3	3
	f) Carbon price / cap and trade system	Cost to offset any residual emissions (e.g. gas, diesel, refrigerants, embodied carbon, construction emissions). Ongoing cost to procure 100% renewable electricity	3	2	6	2
g) Increased requirements to rate / benchmark and disclose building performance	Expansion of Commercial Building Disclosure rules or similar requiring NABERS / Green Star etc ratings. Increased costs to rate buildings, and costs to drive continuous performance improvement	3	1	3	3	

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Transition Risks	Adaptation Policy					
	a) Regulatory requirements to improve building resilience	Costs to improve building resilience to floods, storms - increased deluge volume and wind speeds, heatwaves, fire, network disruptions (energy, waste, water utilities, ITandC systems, transport); potential valuation impacts and write-downs	2	2	4	2
	b) Mandated insurance requirements	Costs of higher insurance if carrying a higher level of insurance for climate related shocks becomes a regulatory requirement	1	1	1	2
	Litigation Risk					
	a) ASIC Green-washing prosecutions	Adverse judgments resulting in reputational damage leading to reduced demand for services; penalties, fines and costs orders	2	3	6	3
	b) Directors duties (Hutley advice)	Personal liability for Directors	2	3	6	3
	c) Super fund member activism (McVeigh v Rest)	Reduced access to capital; if due to underlying member pressure, institutional investors take a harder line on transition and adaptation plans and timeframes and if Scape is perceived as behind / lagging expectations	2	2	4	3
	Public liability	Risk of injury or death to residents or public due to building façade, roof, furniture etc falling from height due to higher wind speeds; resulting public liability claims; reputational damage	1	3	3	3
	Class actions / litigation by residents due to adverse health impacts	Risk of failure of building systems (e.g. cooling towers, AC, sewage, water supply) leading to public health risks (e.g. legionella, heat stress, inadequate sewage disposal, inadequate / unhealthy fresh water supply)	1	2	2	2

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Transition Risks	Technology Risk					
	Costs to transition to lower emissions technology	Time and resource costs to research, evaluate, adopt, and deploy new lower/zero carbon technologies and processes Capital works costs to upgrade existing buildings to best available low emissions technology: LEDs; VSDs; chillers and AC; AHUs and ventilation systems; glazing and frames; cladding and insulation systems; external shading systems; generators; EV charging; bike parking; etc Additional development costs v existing BAU to adopt lower emissions technology and solutions (e.g. PassivHaus)	3	2	6	2
	Investment in technology solutions that turn out not to work as planned, are ineffective, or cost prohibitive to replicate at scale	Sunk costs in capital works or developments that fail to work as planned, and erode operating or development returns during the learning / RandD phase	1	1	1	2
	Competitors adopting best practice zero carbon building solutions; while Scape persists with BAU developments and does not upgrade existing buildings	Costs to adopt / deploy low-carbon and adaptation measures to stay competitive Reduced demand for Scape accommodation, in favour of zero carbon or more climate resilient assets; Valuation impacts, write downs, distressed sale or early obsolescence of existing high-carbon or climate-exposed assets	3	3	9	2
	Market Risk					
	Reduced demand for student accommodation services due to climate-related travel disruptions / difficulties for international and domestic customers	Higher vacancy, lower revenue	3	2	6	2
	Increased cost of raw materials, building construction and renovation—as carbon price is factored into supply chains	Increased cost of production for new developments, refurbishments and capex works to buildings	3	3	9	3
	Supply chain disruption due to climate-related impacts (floods, storms etc) causing delays, scarcity and higher costs	Delays to delivery of new developments, refurbishments and capex works to buildings; reduced income due to longer un-occupied time during construction; higher land holding costs and greater interest on debt	3	2	6	2
	Changing consumer preferences: away from current minimum standard buildings; toward PassivHaus or other highly rated 'green' buildings	Reduced demand for accommodation in older building stock; new build developments failing to anticipate changing consumer preferences and resulting in early capex on upgrades, or obsolescence; valuation implications and transaction costs to dispose of under-performing assets	3	2	6	2

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Transition Risks	Market Risk					
	Higher operating costs – energy	Abrupt or sustained energy price rises	3	2	6	3
	Higher operating costs – waste	Higher waste disposal costs	3	1	3	3
	Higher operating costs – water	Higher water utility costs - fresh water supply, waste water disposal / sewage discharge, stormwater charges	3	1	3	2
	Higher operating costs – transport and logistics	Higher transport fuel costs for fleet vehicles and supply chain logistics and distribution costs	3	1	3	3
	Higher operating costs – consumables	Higher operating expenditure on toilet paper, cleaning materials etc	3	1	3	3
	Repricing of assets	Investors choosing to reduce valuations or other key financial metrics of assets, due to perception that assets are 'stranded' if below transition pathways e.g. CRREM, or unable to adapt to predicted impacts e.g. flooding	2	3	6	3
	Reputation Risk					
	Reduced investor demand due to adverse reputation	Reduced access to / higher cost of capital	2	3	6	2
	Reduced access to debt due to adverse reputation	Reduced access to / higher cost of debt	2	2	4	2
	Reduced customer demand due to adverse reputation	Higher vacancy, reduced revenue and income, reputation damage	2	3	6	2
	Reduced employee retention and attraction due to adverse reputation	Lower productivity, higher staff absenteeism and turnover, increased costs and delays in hiring staff	2	2	4	2
	Increased government / regulatory scrutiny / process requirements due to adverse reputation bringing greater focus to operational / development activity	Higher compliance costs, delays an administrative burden of meeting planning and other Government requirements due to greater scrutiny or investigation by regulators	2	3	6	2

APPENDIX 1: CLIMATE RELATED RISK ANALYSIS

Legend

1st and 2nd columns: 1=Low; 2=Med; 3=High

3rd column: 1=Low; 9=High

4th column: 1=Long (20+ years); 2=Med (5-20 years); 3=Short (0-5 years)

Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Physical Risks	Acute - Extreme Weather Impacts, Floods					
	Increased frequency and severity of storms—higher wind speeds	Cost to repair damage to building fabric, roofs, roof top plant, cost of delay due to inability to operate BMUs or cranes, increased costs to upgrade wind loading of fixings for roof sheeting, cladding, shading, windows, doors; insurance costs	3	1	3	2
	Increased frequency and severity of storms— rain and hail volumes overwhelming drainage systems resulting in collapse, failure or overflow of gutters, downpipes, and stormwater discharge systems	Capex for repairs; revenue loss due to vacancy while affected rooms are repaired; rent abatement due to disruption / loss of amenity during remediation works to common areas; insurance costs	3	2	6	2
	Increased frequency and severity of storms— hail —damage to glass, metal, vehicles etc from severe hail	Cost to repair, insurance claim costs, higher insurance premiums	2	1	2	2
	Increased frequency and severity of storms—direct impacts of localised / river flooding due to intense rainfall	Cost to repair flood damage; increased insurance claim costs; higher or unavailable insurance for assets in high-risk locations	1	2	2	2
	Increased frequency and severity of storms—indirect impact of localised / river flooding due to intense rainfall	Infrastructure failure / impairment (e.g. road closures)—impact on development supply chains—logistics / production disruption	3	2	6	2
	Increased frequency and severity of storms— access restrictions and disruption to building operation due to local flood / rainfall impacts on direct or indirect access to the building, including disruption of transport networks serving the building / occupants	Customer difficulties travelling to and from assets, inability or difficulty of supply chain partners and service providers to access the building; higher vacancy, reduced rent revenue due to disruption or impediments to access; lower service standards, delays to repairs and maintenance.	3	2	6	2
	Increased frequency and severity of storms— blackouts / loss of power	Reduced customer satisfaction, rent abatement	2	1	2	2
	Increased frequency and severity of storms— supply chain disruption	Delays, increased supply costs	3	2	6	2
	Increased frequency and severity of storms— employee absenteeism due to inability to get to work, in ability to access assets, or need to remain home to clean up or repair damage to homes	Reduced productivity, lower staff morale	3	2	6	2
	Bushfires and smoke	Possible requirement to evacuate assets at risk from fire or ember attack; reduced amenity due to smoke ingress; higher maintenance costs to replace filters due to smoke	3	1	3	2
Tropical cyclones		3	1	3	2	

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Physical Risks	Chronic - Heatwaves, Drought, Sea Level Rise					
	Rising average temperatures, hotter maximum temperatures, more days of extreme heat and longer duration heatwaves causing greater demand for cooling , and increased energy mand.	Higher energy costs	3	1	3	2
	Heatwaves causing discomfort to residents	Lower customer satisfaction, negative reputation, leading to higher vacancy, lower rental revenue	3	2	6	2
	Sea level rise causing inundation of assets	Flooding remediation costs; reduced rental revenue; valuation implications; stranded asset risk	1	3	3	1
	Sea level rise causing disruption to infrastructure that supports the occupation and operation of buildings	Higher vacancy, lower revenue	2	2	4	1
	Drought conditions resulting in water restrictions	Reduced customer satisfaction due to water restrictions impacting user behaviour (e.g. showering) or amenity (e.g. restrictions on landscape irrigation resulting in plant deaths and less appealing common areas, and cost to replace dead plants); physical injury or nuisance from limb-drop from drought affected trees	3	1	3	2
	Drought or changed rainfall conditions resulting in disruption to food production	Higher food costs, lower availability of fresh food, lower resident satisfaction, lower capacity to pay due to higher cost of living for essential food items	3	1	3	2
	Drought or changed rainfall conditions resulting in disruption to energy production	Higher energy costs due to lower water availability for hydro to firm renewables, reduced wind generation (max wind speed shut offs), disruption to fossil fuel generators (reduced water for cooling towers), too wet to mine or transport coal or gas reserves	3	1	3	2

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Opportunities	Resource Efficiency - Reduced operating costs					
	Develop more energy efficient buildings, i.e. PassivHaus	90% lower energy requirement for HVAC in new developments v code compliant buildings; increased margin per unit; increased valuations; improved customer experience	3	3	9	3
	Improve energy efficiency of existing buildings through capital works to retrofit best practice technologies: LEDs, EC fans, advanced controls, HFO refrigerants, Heat Pumps, MVHR machines etc	Reduce energy consumption in existing buildings; increased margin per unit	3	2	6	3
	Use circular-economy / closed-loop / locally recycled materials in construction that could reduce dependency on supply chains at risk of disruption	Increased resilience of development supply chain to climate related disruption; less risk of construction delays; potential time and cost savings; improved customer satisfaction and employee engagement	2	1	2	2
	Water efficiency technologies: water efficiency criteria for development and capex works	Reduced operating costs (marginal); improved green building rating scores, leading to improved attractiveness to investors	3	1	3	3
	Transport - EV chargers; EV fleet vehicles; decarbonise logistics in supply chains	Reduced fuel costs; improved green building rating scores, leading to improved attractiveness to investors	3	1	3	2

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Opportunities	Energy Source - Switchin to renewable electricity and phasing out fossil fuel use, battery and thermal storage, biofuel generators					
	Switch to 100% renewable electricity contracts	Likely to be equivalent cost to current fossil fuel sourced electricity; reduced exposure to future energy price rises; lower carbon emissions; reduced exposure to regulatory and market costs for carbon; improved green building rating scores, leading to improved attractiveness to investors; improved ability to attract and retain customers by meeting sustainability expectations; improved employee engagement; reputational benefits	3	3	9	3
	All electric new construction	Improved green building rating scores, leading to improved attractiveness to investors	3	2	6	3
	Electrification of existing buildings	Improved green building rating scores, leading to improved attractiveness to investors	3	2	6	2
	On-site renewables where feasible	Improved green building rating scores, leading to improved attractiveness to investors	3	1	3	2
	Low Emission Products and Services					
	Opportunity to become the market leader in delivery of best practice energy efficient buildings, i.e. PassivHaus Certified	Point of differentiation from competitors; lower energy costs, so higher margin per unit; improved customer experience; ability to secure additional investment from existing responsible investors and attract new impact investors; ability to attract international attention for pioneering large scale PassivHaus Certification in Australia; increased FUM, improved revenues	3	3	9	2
	Consumer demand for zero carbon accommodation	Ability to attract customers, who will increasingly expect zero carbon operation of buildings	3	2	6	2
	Align with sustainability commitments by Educational institutions	Ability to strengthen partnerships with educational institutions, who will increasingly expect zero carbon operation and climate resilient buildings	3	2	6	3

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Addressing Table A1.1 and A1.2 of TCFD Annex (2021)	3. Climate-related risks and opportunities	4. Potential financial impacts on the business	Likelihood	Significance	Risk	Timeframe
Opportunities	Markets - New markets or new types of assets, green bonds / finance					
	Access to a new group of investors	Ability to attract responsible and impact investors, who expect zero carbon operation and climate resilient buildings	3	3	9	3
	Access to ethical / green consumers	Ability to attract ethical and environmentally conscious customers	3	2	6	3
	Resilience - Improved ability to operate uninterrupted during climate related shocks and stresses; dependence on utilities, continuity of supply chains for operational and development materials and services					
	Improved business continuity - improved ability to operate uninterrupted during climate related shocks and stresses	Reduced risk of disruption of service or inconvenience or discomfort to customers; higher customer satisfaction	2	2	4	2
	Reduced dependence on utilities	Reduced exposure to fluctuating energy, waste and water prices; improved NOI (net operating income)	2	1	2	2
	Improved continuity of supply chains	Lower risk to development timeframes	2	1	2	2

(GRI 201-2 Financial implications and other risks and opportunities due to climate change)

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