

# ESG Update.

Property for Industry Limited  
15 March 2022

Thanks for joining us. The meeting will start at 11am.



**PFI**

# Introductions.



**CRAIG PEIRCE**

**CHIEF FINANCE AND  
OPERATING OFFICER**



**SARAH BEALE**

**HEAD OF SUSTAINABILITY  
AND OPERATIONS**



**SIMON WOODHAMS**

**CHIEF EXECUTIVE  
OFFICER**

# Agenda.

## 01. PFI'S ESG STRATEGIC FRAMEWORK

## 02. 2021 HIGHLIGHTS

A deeper dive into:

- Climate-related (TCFD) disclosures
- HVAC system replacement programme
- Managing the indirect impacts of developments and refurbishments

## 03. 2022 ESG PROGRAMME OVERVIEW

## 04. Q&A



01

**PFI'S STRATEGIC  
ESG FRAMEWORK**



# PFI ESG Strategic Framework.

## PURPOSE

PFI generates income for investors as professional landlords to the industrial economy, generating prosperity for New Zealand

## VISION

PFI will be one of New Zealand's foremost listed property vehicles. Our measures will be performance, quality, scale and reputation.

## ESG PRIORITIES

Leadership — Strategy — Transparency — Diversity and Inclusion — Wellbeing — Community — Environment — Climate

## STRATEGIC PILLARS

Health, safety and wellbeing — Resource efficiency — Long-term thinking

## STRATEGIC THEMES

Taking care of our team — Looking after our tenants — Responsible property ownership — Delivering for our investors



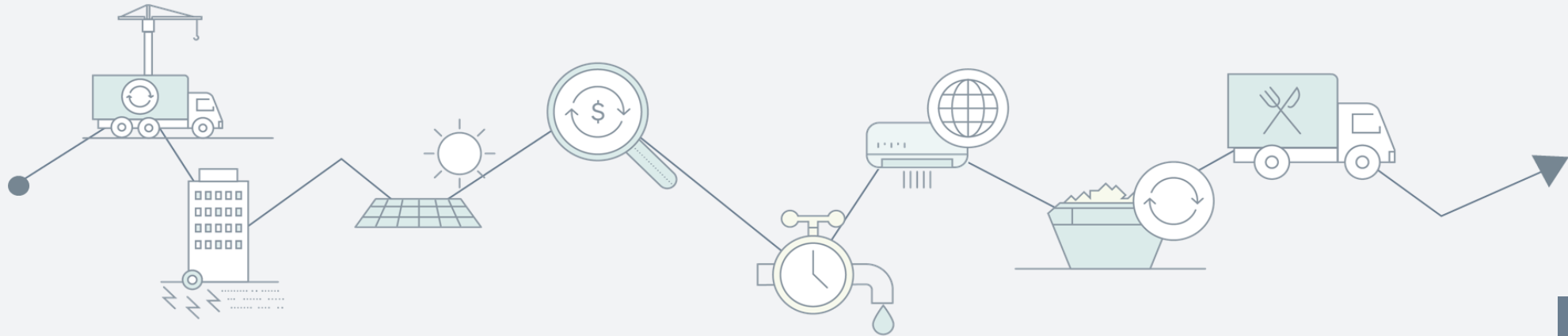
# PFI ESG Programme Governance.

## ESG MANAGEMENT MEETINGS

- Monitor ESG trends and regulations
- Make decisions on our ESG programme
- Monitor progress on our ESG programme

## BOARD OVERSIGHT

- Quarterly reporting to the Board on ESG matters





02


2021 HIGHLIGHTS





# 2021 Sustainability Highlights.


- Replaced HVAC systems containing ozone-depleting gases at 12 properties.




- Reduced Scope 1 greenhouse emissions by 34% compared to 2020.



- Investigated physical climate change risks associated with individual properties to support TCFD disclosures.





- Provided our team, tenants and community with support during COVID-19.



- Focused on ongoing health and safety continuous improvement.

- Began working toward Green Star certification for future developments.

- Created a sustainable refurbishment framework.





# Climate related risks.

2020



- Completed our initial climate risk and opportunity assessment (including transition and physical risks).



- Released our first TCFD report.

2021



- Completed more detailed analysis on our physical risks.



- Released our second TCFD report.

# Physical Climate Risk Analysis.

Additional analysis conducted this year on PFI properties found:

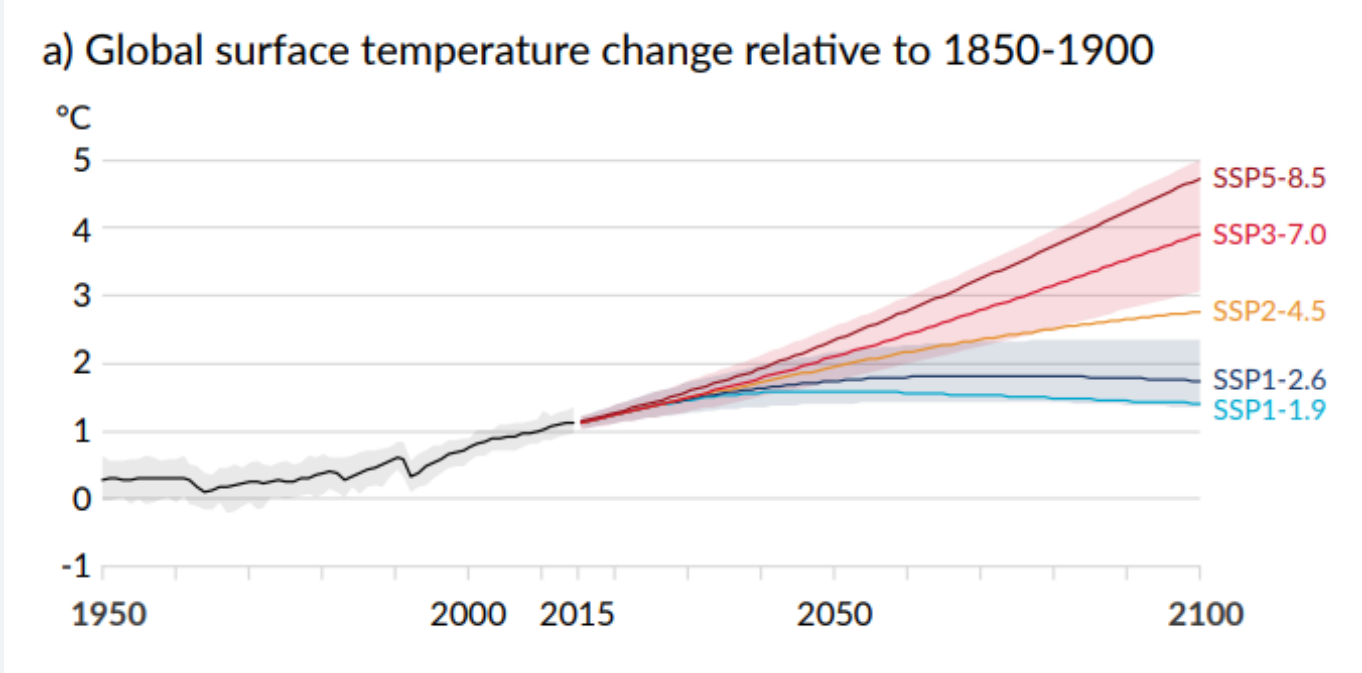
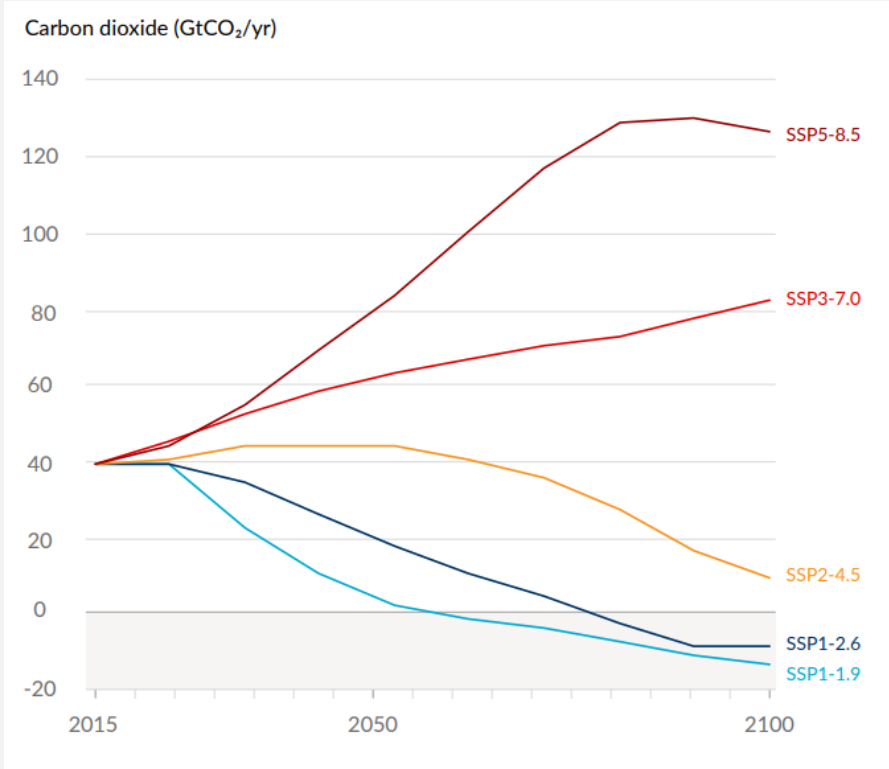


Overall, the PFI portfolio faces **low to moderate** physical climate risk exposure.



Four properties have been assessed as having a **heightened exposure** to a particular climate-related hazard.

# Physical Climate Risk Analysis.



Source: 2021 IPCC 6<sup>th</sup> assessment report - summary for policymakers



# Managing PFI's physical climate risks.

Insurance strategy

Climate resilience strategy

Due diligence for new acquisitions

Periodic portfolio assessments

Retaining a strong balance sheet

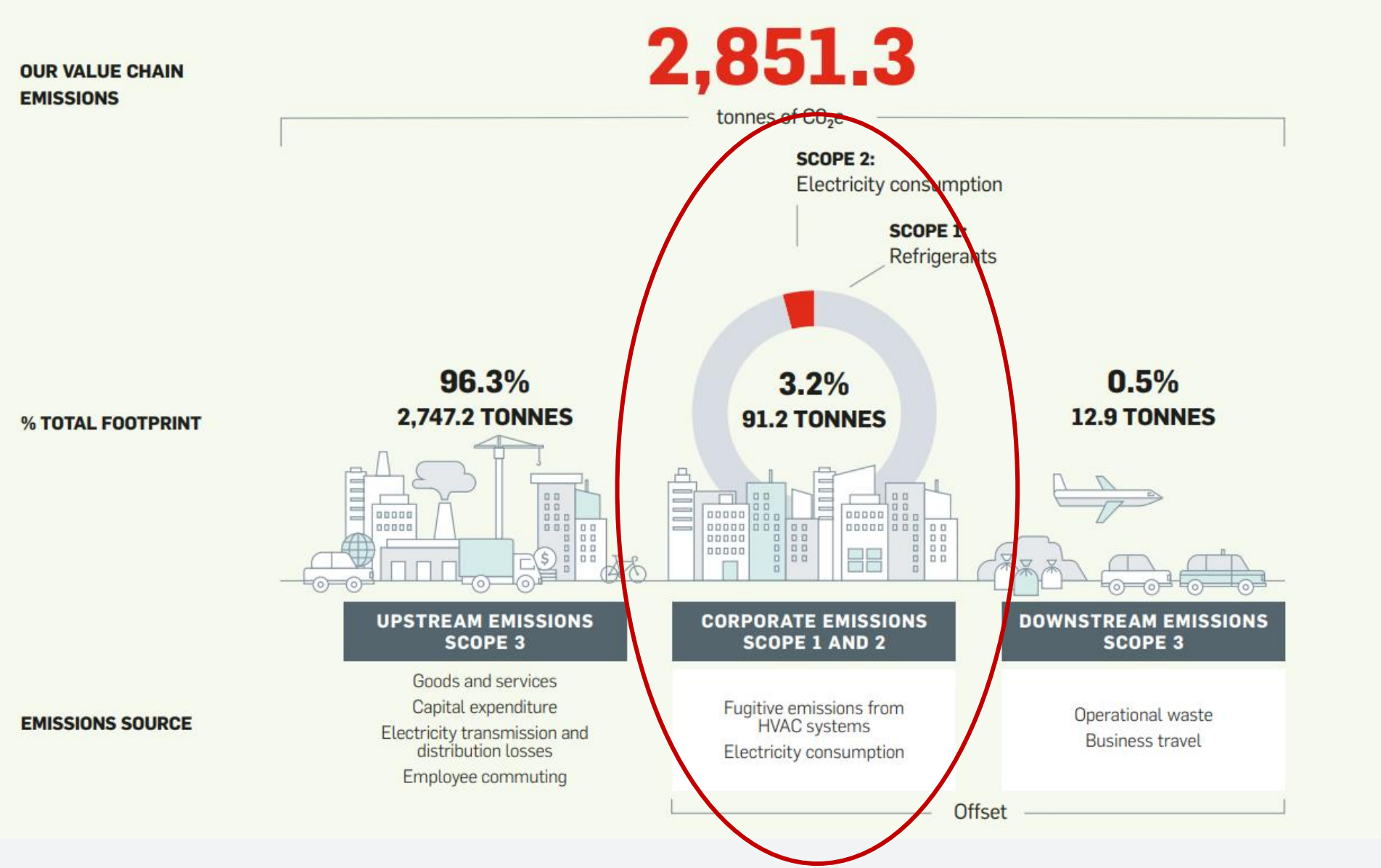
Disclosure

## Impact on PFI's strategy.

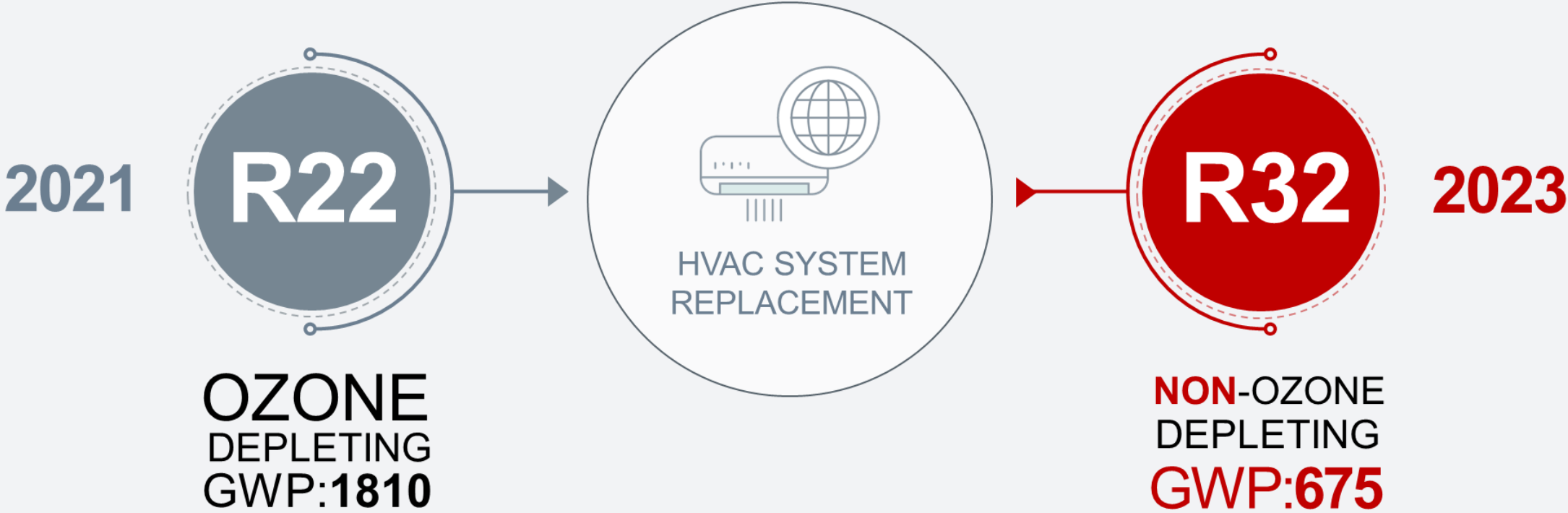
Our strategy is considered to be **relatively robust** to climate impacts, provided that we manage the risks appropriately.



# Greenhouse gas emissions.



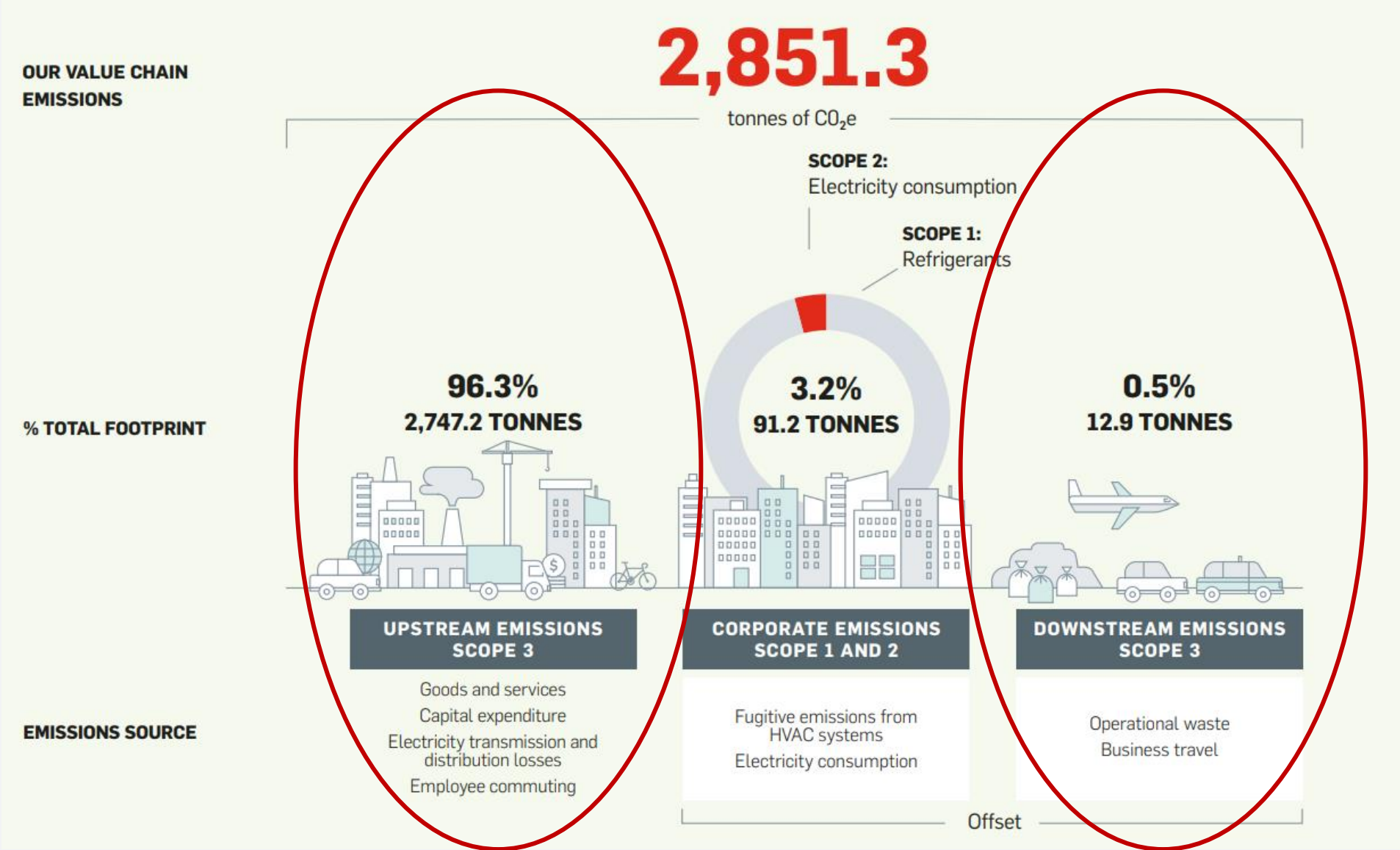
# Addressing our direct impacts.



**\$2** MILLION COMMITMENT

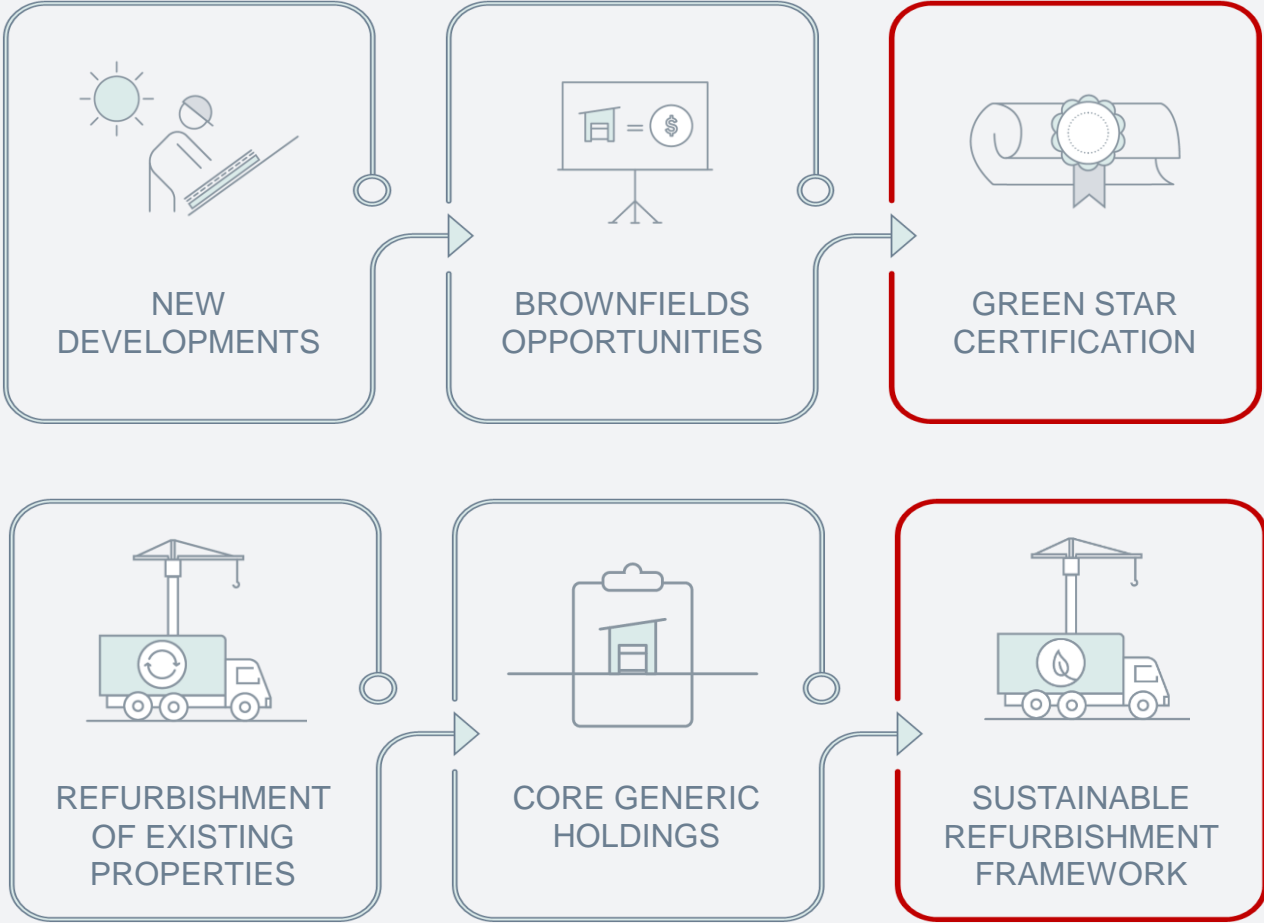


# Greenhouse gas emissions.

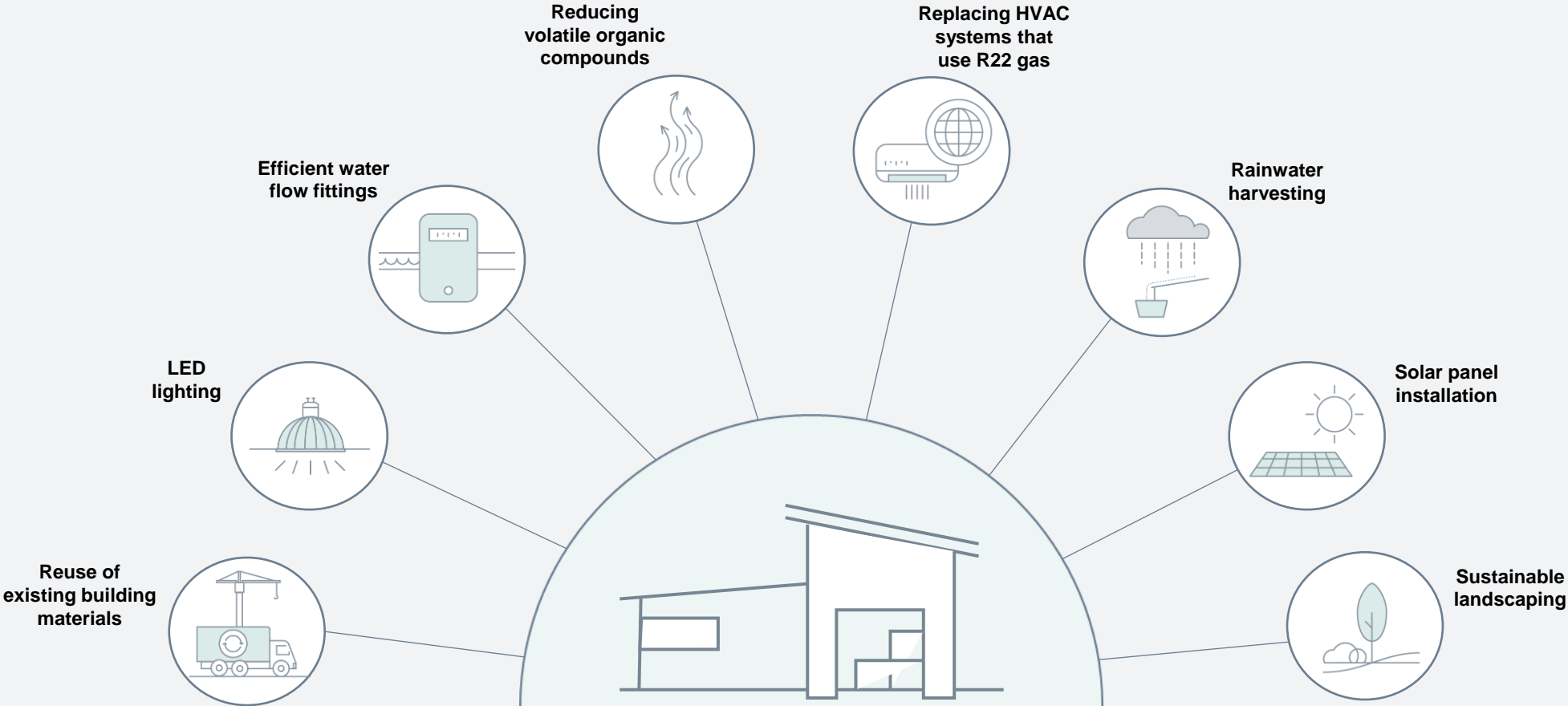




# Addressing our indirect impacts.



# Sustainable refurbishment framework.



POSSIBLE INCLUSIONS IN A SUSTAINABLE REFURBISHMENT

# Sustainable refurbishment case study.

## **3-5** NIALL BURGESS ROAD, MT WELLINGTON

- Recycling or reuse of construction and demolition waste
- Replacement of ozone-depleting R22 air-conditioning units
- Landscaping that employs sustainable design, planting and maintenance practices
- New energy efficient LED lighting throughout the building
- Use of sustainable building materials
- Reuse of existing building materials



03

2022 OVERVIEW



# 2022 ESG programme overview.

## R22 REPLACEMENTS

- Continue to phase out R22 gas within PFI's operational control

## GREEN STAR

- Work toward Green Star certification for upcoming developments, including 30-32 Bowden Road

## SUSTAINABLE REFURBISHMENTS

- Apply PFI's Sustainable Refurbishment Framework for major refurbishments

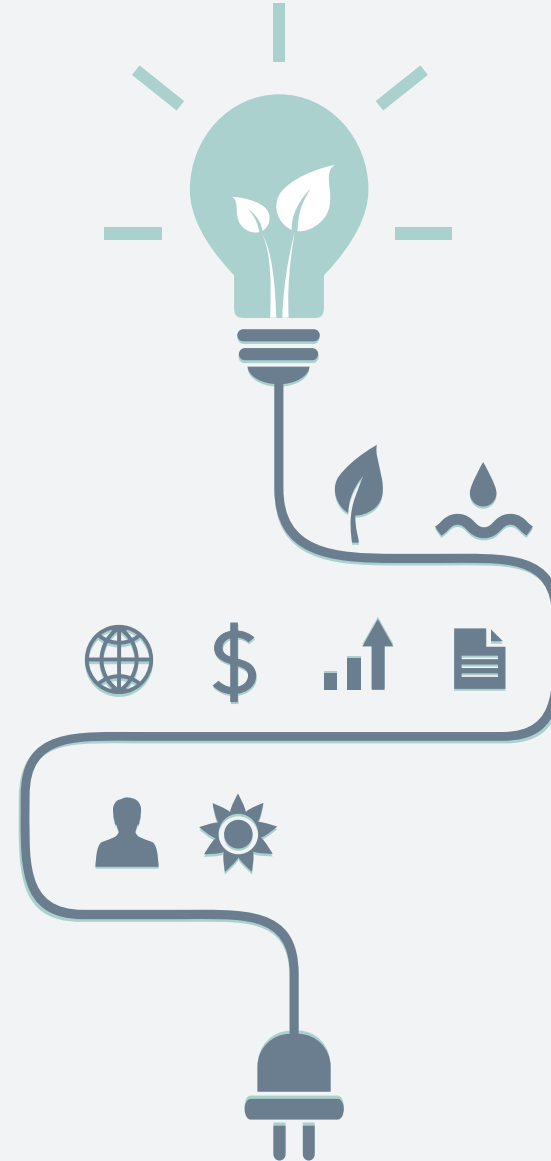
## STRATEGY REFRESH

- Simplify our ESG strategic framework and better reflect the interaction with our business strategy



# 2022 wider ESG programme.

- First solar installation
- Health, safety and wellbeing continuous improvement
- Donations and volunteering
- Seismic upgrades
- Corporate Governance Manual review
- New Green Star corporate office



04

QUESTIONS ?

