

EDITION 2 · DECEMBER 2024



Aliro Group Sustainability Report



Enriching people's lives through positive property outcomes.



About this Report

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Our Approach

Aliro Group (“Aliro”) is committed to reporting transparently on sustainability-related information. This report was prepared by Aliro’s Environmental, Social and Governance¹ team (“ESG team”), reviewed by senior management, and approved by the Aliro Board.

Scope & Boundary

This report contains information relating to Aliro’s ESG Strategy and performance. The data in this report relates to the financial year ending 30 June 2024 unless stated otherwise. The disclosures relate to Aliro’s corporate activities, as well as all development projects and stabilised assets across our managed funds and mandates.

Reporting Frameworks

Our alignment with the Taskforce on Climate-related Financial Disclosures (“TCFD”) Recommendations is detailed on [page 12](#) of this Report.

We are aware that certain entities will be required to disclose climate-related information in accordance with the Australian Sustainability Reporting Standards (“ASRS”) for financial years beginning on or after 1 January 2025. Our annual reporting will be prepared in accordance with the ASRS once we meet mandatory reporting thresholds prescribed by the Australian Assurance Standards Board (“AASB”).

¹Shortened to ESG in this document.

Letter from the Chairman and CEO

We are proud to present Aliro's 2024 Sustainability Report.

Over the past year, we have made excellent progress across the four pillars of our ESG Strategy: Resilient Assets, Sustainable Design, Responsible Business, and People & Partnerships.

In particular, we made significant progress towards achieving our Net Zero target, released a new customer engagement strategy, achieved GRESB Sector Leadership, and secured our first Sustainability-Linked Loan.

Climate Action

We remain committed to pursuing the goals of the Paris Agreement with increased levels of urgency to limit the impacts of climate change.

In 2024, we took further steps towards achieving our 2025 Net Zero target (Scope 1 and 2 emissions) by transitioning almost 90% of house electricity accounts under our operational control to certified GreenPower¹. For more information on our progress, refer to the Net Zero section of this report.

We also finalised our Scope 3 emissions organisational boundary and emissions baseline this year. This work has set the foundation for broadening our emissions reduction targets to other sources of emissions in Aliro's value chain, as well as establishing new partnerships and strategies to accelerate our transition to a low-carbon economy.

Customer Engagement

We strive to deliver an exceptional customer experience through active engagement and a solutions-focused approach. In 2024, we launched our new customer strategy: Partner, Grow, Advocate. By building trust with our customers, we establish strong working relationships and gain a deeper understanding of their specific needs. This enables us to form tailored customer strategies and deliver exceptional property outcomes.

GRESB Sector Leadership

Aliro's core plus industrial vehicle, AGIV (Aliro Group Industrial Vehicle) was recognised as a Regional Sector Leader and ranked first in its peer group by the Global Real Estate Sustainability Benchmark ("GRESB")². These outstanding results across both components of the assessment are testament to our ongoing commitment to delivering leading sustainability outcomes for our tenant customers and creating high-quality, institutional-grade real estate for our investor customers.

Sustainability-Linked Loan

This year also marked the completion of Aliro's first Sustainability-Linked Loan ("SLL"). The \$700 million conversion was completed by AGIV under our newly established Sustainability Financing Framework. By aligning our financial and sustainability performance targets, we are holding ourselves accountable for delivering on our commitments and embedding ESG into everything we do.

Outlook

With the recent release of more stringent climate reporting standards in Australia, our priorities for the upcoming year will be to better understand the climate-related risks and opportunities facing our business and establish new partnerships to accelerate our transition planning.

In the meantime, we will continue leveraging our key strengths to deliver on our purpose and create positive sustainability outcomes for our customers and partners.

Thank you for your ongoing support.

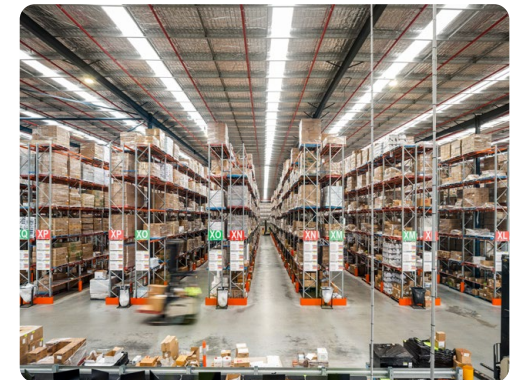
Yours sincerely,



DAVID SOUTHON
Executive Chairman
Aliro Group



DANIEL WISE
Managing Director & CEO
Aliro Group



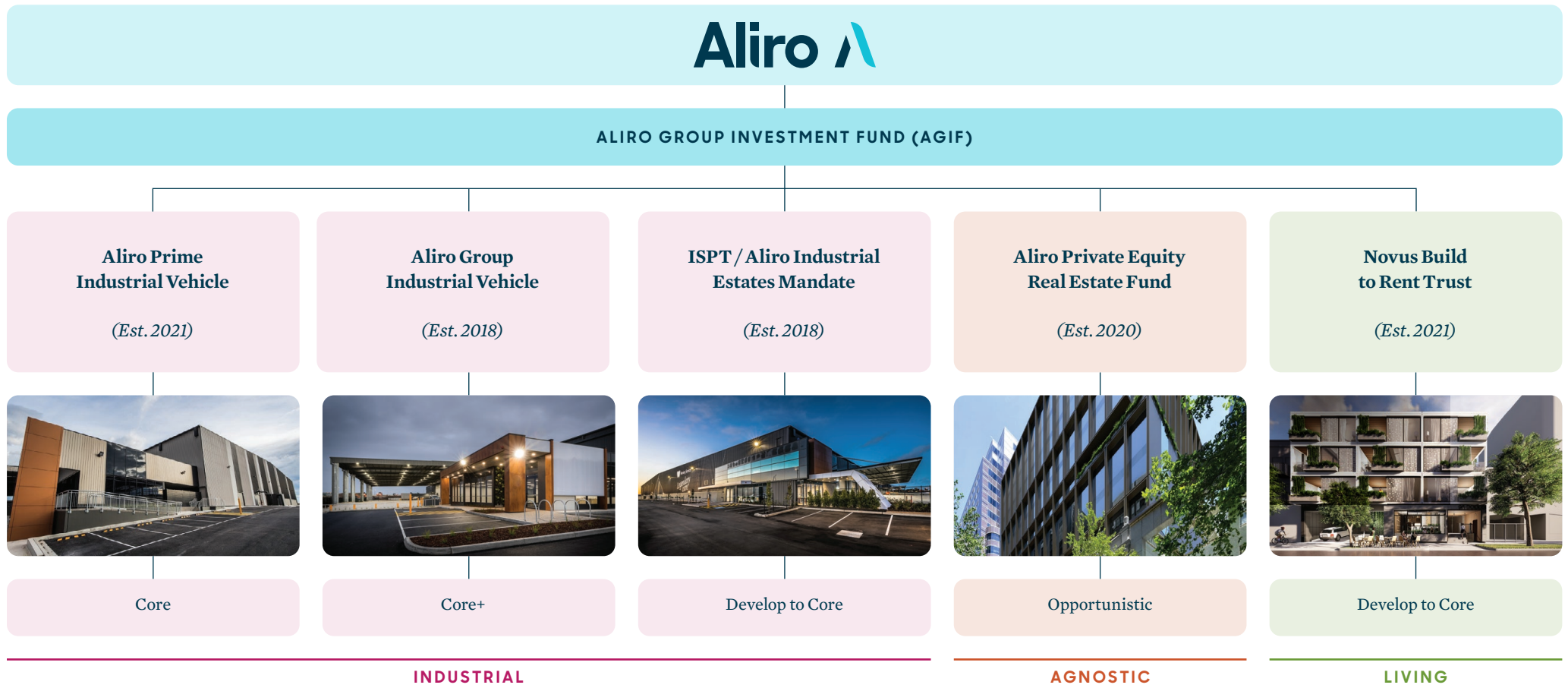
¹GreenPower is a renewable energy product that enables Australian businesses to purchase 100% renewable electricity from accredited GreenPower Generators.

²GRESB is an independent organisation providing validated ESG performance data and peer benchmarks for investors and managers to improve business intelligence, industry engagement, and decision-making.

About Us

What We Do

Aliro is a privately-owned *development, investment, and funds management* business with an expert team of 51 professionals across Sydney, Melbourne, and Brisbane. We work with a diverse range of wholesale capital partners to establish, grow, and actively manage sector-specific property funds to deliver enduring value for our customers and partners.



About Us

How we Create Enduring Value

We recognise that ‘enduring value’ looks different to each of our stakeholders. Aliro differentiates itself in the market by adopting a personalised approach for each stakeholder group and harnessing its unique competitive advantages to exceed their expectations.

STAKEHOLDER	WHAT ENDURING VALUE LOOKS LIKE	HOW WE DELIVER IT
Tenant Customers	<ul style="list-style-type: none"> 1/ High quality, flexible, and sustainable assets 2/ An outstanding customer experience 	<ul style="list-style-type: none"> 1/ Integrated delivery platform: Connected and collaborative team with deep experience across Development, Asset Management, and ESG, with a shared purpose and solutions-focused approach 2/ Customer engagement strategy: Focused on maintaining a deep understanding of customer needs and personalised customer service offerings 3/ Innovation: New technologies, products, and services that enhance asset performance, reduce operational and supply chain costs, and improve customer experience
Investor Customers	<ul style="list-style-type: none"> 1/ Long-term superior risk-adjusted returns 2/ Creating institutional-grade product that demonstrates resilience, sustainability excellence, optionality, and value 	<ul style="list-style-type: none"> 1/ Execution capability: Expert, integrated team with a strong track record of working with and delivering value for wholesale capital partners 2/ Institutional approach: Application of institutional quality delivery and management standards in a private and aligned manager environment 3/ Access: Origination through deep industry relationships, experience and on-the-ground capability
Our People	<ul style="list-style-type: none"> 1/ Inclusive workplaces that support health and wellbeing 2/ High-performance culture and career progression 	<ul style="list-style-type: none"> 1/ Strong culture: Where people have a sense of belonging and feel safe to express themselves 2/ Flat organisational structure: Providing our people with the opportunity to connect and collaborate 3/ Bespoke training programmes: Aligned with career development plans



Our ESG Strategy is the blueprint we use to build resilient assets, create places where people can connect and thrive, and operate the business in a responsible and ethical manner. It is an integral part of our overall value offering for Aliro's customers and partners.



ESG Strategy

Our Pillars

The four key pillars of our Strategy – Resilient Assets, Sustainable Design, Responsible Business, and People & Partnerships – support a systematic approach to setting objectives and creating positive sustainability outcomes across our active assets, development pipeline, and funds management platform.

In 2025, we will refresh our ESG Strategy to ensure its continued effectiveness in addressing emerging customer needs and new regulatory requirements. This will also be an opportunity for us to reflect on our achievements, re-focus our efforts on the issues that matter, and discover new pathways to delivering enduring value for our customers and partners.



RESILIENT ASSETS 

Building resilience to future environmental, social and economic disruptions.

- Climate risk management
- Net Zero
- Operational efficiency
- Asset ratings

SUSTAINABLE DESIGN 

Using innovative design principles to deliver high quality, sustainable built form.

- Renewable energy solutions
- Sustainable materials
- Innovation
- Green building ratings

RESPONSIBLE BUSINESS 

Sustainability and best practice governance is embedded in our business.

- Governance and risk management
- Transparent reporting and disclosure
- Health and safety
- Investment due diligence

PEOPLE & PARTNERSHIPS 

We support our team, suppliers, partners and customers to thrive.

- People and culture
- Health and wellbeing
- Customer satisfaction
- Reconciliation

In 2025, we will refresh our ESG Strategy to ensure its continued effectiveness in addressing emerging customer needs and new regulatory requirements.

ESG Strategy

Materiality

Materiality assessments enable us to identify the ESG issues that matter most to our business.

In 2024, our list of eight material issues did not change. However, our assessment identified three emerging ESG issues that are of increasing importance to the real estate sector and our stakeholders:

1/ Nature-related risk: Emerging market expectations that real estate companies should report on nature-related dependencies, impacts, risks, and opportunities.

2/ Mandatory reporting requirements: The recent release of the ASRS means that certain entities will soon be required to report publicly on sustainability-related information.

3/ Innovation and technology: The growth of AI and new technologies is driving new customer needs and preferences across the real estate sector.

Building resilience to the impacts of climate change

Climate change presents both risks and opportunities for our business. We are committed to supporting the transition to a low-carbon economy through emissions reductions initiatives, while also preparing our assets, customers, and communities for the disruption and damage that may be caused by the impacts of climate change.

STAKEHOLDERS

- Tenants
- Communities

Delivering high-quality and sustainable assets for our customers

Real estate occupiers are becoming more sophisticated with their approach to sustainability. We strive to use our development expertise to create high-performing, future-proofed assets that support our customers' sustainability goals and aspirations.

STAKEHOLDERS

- Tenants
- Investors

Maintaining high standards of ethics, integrity, and transparency

Operating the business in a responsible manner and reporting transparently on our activities underpins our social licence to operate.

STAKEHOLDERS

- Tenants
- Investors

Maintaining a strong corporate culture and supporting our people

Maintaining an open, collaborative, passionate and outcome-focused culture enables us to attract and retain top talent and achieve higher rates of employee engagement.

STAKEHOLDERS

- Employees

Leaving a positive impact on our communities

Aliro has opportunities to deliver long-term shared value for the broader community.

We seek to engage with local community groups, including traditional landowners, to help us create better places where people can connect and thrive. We also promote a range of giving and volunteering initiatives with our partner organisations to support the broader community.

STAKEHOLDERS

- Communities

Providing safe, inclusive, & productive workplaces for our employees, tenants, & contractors

The safety and wellbeing of our employees, customers and contractors is our highest priority. We are committed to maintaining a culture of risk awareness and continuous improvement to allow our people to be safe in their workplaces.

STAKEHOLDERS

- Employees
- Tenants
- Contractors

Maintaining high standards of corporate governance, risk management, and information security

We recognise that effective corporate governance, risk management, and information security are critical for Aliro to operate responsibly and ethically. By ensuring our systems, processes, and procedures reflect high standards of risk management, we will be better placed to preserve business continuity and the safety of our people and partners.

STAKEHOLDERS

- Employees
- Investors
- Tenants
- Advisors

Managing our exposure to human rights risks and supply chain disruptions

The construction and property sectors face elevated risks of modern slavery and other forms of supply chain disruption. We understand our responsibility to improve the visibility of our value chain, engage with our supplier base, and actively mitigate and remediate our human rights risks.

STAKEHOLDERS

- Employees
- Tenants
- Contractors
- Suppliers

We are proud of our 2024 achievements, which have included many highlights across the four pillars of our ESG Strategy.



¹Percentage of electricity accounts under Aliro's operational control – including our corporate head offices and stabilised assets in the Aliro Group Industrial Vehicle (AGIV) and Aliro Prime Industrial Vehicle (APIV) – that procure 100% accredited GreenPower as at 1 December 2024.
²Portfolio-level Green Star Performance rating for rated assets in AGIV. Refer to page 24 for more information on our Green Star Performance results.
³Applicable to all funds and mandates as at 30 June 2024.
⁴Average Green Star Design & As Built v1.3 rating (normalised by floor area) for rated assets in the Aliro Group Industrial Vehicle. Refer to page 20 for more information on our Green Star Design & As Built results.
⁵Oceania-Industrial category in 2024 GRESB Real Estate Assessment (Development Benchmark).

Resilient Assets

Building resilience to environmental, social, and economic disruptions helps us mitigate risk across the business and prepare our assets for a low-carbon future.



Resilient Assets

Climate Risk

Aliro discloses climate-related financial information with reference to the Task Force on Climate-related Financial Disclosures (“TCFD”) Recommendations. This report represents our second year of disclosure.

We are aware that the International Financial Reporting Standards (“IFRS”) Foundation took over responsibility for global climate reporting in late 2023. This led to the voluntary disbandment of the TCFD and the integration of its recommendations into IFRS’ new International Sustainability Standards Board (“ISSB”) Standards. We are also aware that the localised version of the ISSB Standards – the ASRS – was legislated by the Australian federal government in September 2024. This means that certain entities will be required to meet new mandatory climate-related disclosure requirements in reporting years after 1 January 2025.

We intend to continue using the TCFD Recommendations until we transition our climate-related disclosures to the ASRS.

RECOMMENDATIONS	STATUS	ACTIONS	CY24	CY25
Governance				
Disclose the organisation’s governance around climate-related risks and opportunities.	Partially aligned	Integrate climate-related considerations into Aliro’s enterprise risk register	●	
		Define management’s role in monitoring and overseeing climate-related risks and opportunities		●
Strategy				
Disclose the impacts of climate-related risks and opportunities on the organisation.	Partially aligned	Complete scenario analysis to identify the short, medium, and long-term climate-related risks facing Aliro	●	
		Assess impacts of climate risks and opportunities on Aliro’s operations, strategy, and financial planning		●
Risk Management				
Disclose how the organisation identifies, assesses, and manages climate-related risks.	Partially aligned	Embed climate risk assessment process in Aliro’s Acquisitions Checklist	●	
		Establish process for managing transition climate risks		●
Metrics & Targets				
Disclose the metrics and targets used to assess and manage climate-related risks and opportunities.	Partially aligned	Establish Scope 1 and 2 emissions intensity targets	●	
		Establish Scope 3 emissions intensity target		●
		Disclose Scope 1 emissions		●
		Disclose Scope 2 emissions		●
		Disclose Scope 3 emissions		●
		Assess ways we can measure the impact of risk mitigation strategies on our portfolios		●

KEY:

● Completed

● In progress

● Planned

Resilient Assets

Climate Risk

Governance

Aliro's Board of Directors has ultimate responsibility for overseeing climate risk management at Aliro. This involves reviewing our strategy, policies, targets, and risk management procedures to ensure we continue acting in the best interests of our stakeholders. The Board is supported by the Risk Committee and the ESG Committee; both of which report on various aspects of Aliro's climate risk management approach. The roles and responsibilities of each committee is detailed in the Responsible Business chapter of this report ([pages 21–25](#)).

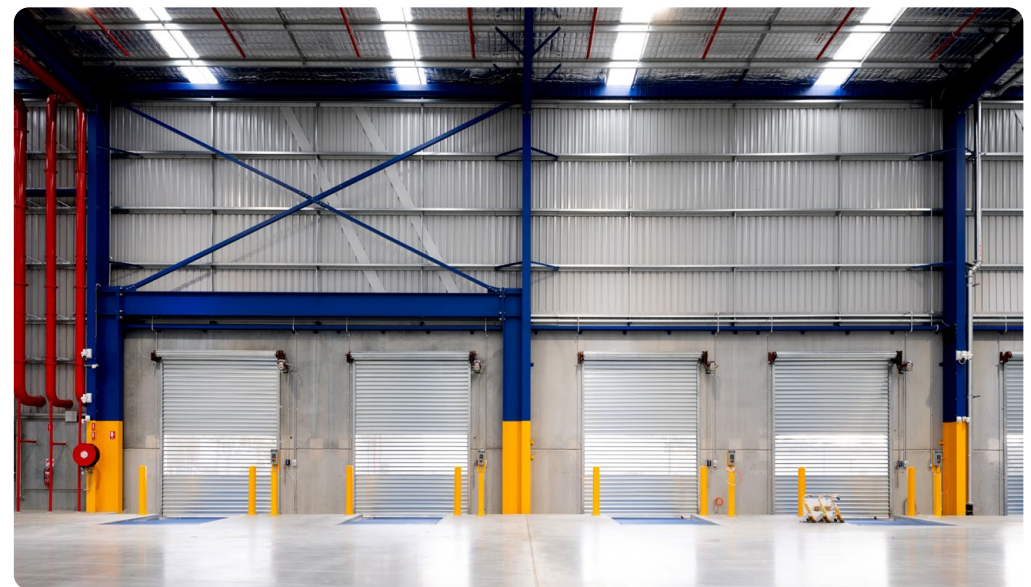
Strategy

The Intergovernmental Panel on Climate Change's ("IPCC") Sixth Assessment Report indicates that without substantial cuts in emissions, we will be unable to avoid 1.5 or 2.0 degrees of warming. This makes it critical for us to understand the impact of different climate scenarios on our business and take proactive measures to accelerate our transition to a low carbon economy.

Aliro's ESG Strategy guides our approach to identifying climate-related risks and opportunities, as well as how we build resilience across the organisation. Our approach considers both transition risks, relating to the potential impacts of a low-carbon economy on our business, and physical climate risks, which can negatively impact assets through increased design and maintenance costs or disrupted construction programmes and operations.

The effectiveness of our approach depends on successfully integrating Aliro's climate risk management procedures across all stages of the property lifecycle. We complete physical climate risk assessments for stabilised assets and development projects so that we can assess portfolio exposure to climate hazards and identify appropriate risk mitigation strategies. We also complete acquisition due diligence processes so we can understand the risk profile of new assets and make allowances for climate adaptation.

Our strategic approach is regularly reviewed in response to major changes in the IPCC's climate science reports or Aliro's operating environment.



Resilient Assets

Climate Risk

Risk Management

With over \$1.6 billion of assets under Aliro's management¹, it is imperative for us to identify, assess, and effectively manage climate-related risks impacting our business.

Identifying & Assessing Climate Risks

This year, we implemented a new physical climate risk assessment tool to measure the exposure of our assets to specific climate hazards and track the effectiveness of our risk mitigation strategies. The tool uses CSIRO projections, which are based on global and regional climate models, as well as IPCC Representative Concentration Pathway 8.5 datasets. These reflect a high global warming scenario (i.e. three degrees above pre-industrial levels), where business continues as usual and physical climate risks become more frequent and intense. By using this scenario, we can stress test Aliro's ability to finance the risk mitigation strategies needed to adapt to the worst impacts of climate change.

Risk assessments have been completed at all Aliro-owned assets and development projects. The geographic locations of our major markets mean that most Aliro-owned assets are exposed to physical climate risks such as heatwaves, droughts, and flooding.

A key part of our approach is conducting site audits to assess the adaptive capacity of assets. This helps us identify each site's vulnerability to climate hazards and determine the necessary mitigation strategies to reduce risk to acceptable levels.

Managing Climate Risks

Our climate risk tool details the adaptation strategies we use to manage risks at each asset, as well as implementation timelines. Aliro's ESG, Asset Management and Funds Management teams review this information each year when completing fund-level business plans. This enables us to integrate climate adaptation plans into annual ESD capex budgets and long-term asset strategies.

We review our exposure to enterprise risks including transitional climate risks and the effectiveness of controls as part of our quarterly Enterprise Risk Review Committee meetings. This involves consideration of how emerging technologies, regulations, and market expectations may impact our risk assessments or the ongoing effectiveness of our controls. Aliro's ESG Committee reviews opportunities to enhance our risk management activities through system and process changes, staff training, or the setting of new objectives.

Metrics & Targets

Aliro has set a target to achieve Net Zero Emissions by December 2025 for Scope 1 and 2 emissions under our operational control. We also completed our Scope 3 emissions organisational boundary and emissions baseline in 2024 in preparation for target setting across more sources of emissions in our value chain. Refer to the Net Zero section on [page 15](#) for more information.

¹As at 30 September 2024. Estimated Gross Value on Completion of all assets originated to date by Aliro in Aliro-owned vehicles.

Aliro Climate Risk Management Process

1 Geographic Risk Exposure

Use climate models and scenarios to assess the impact of future climate conditions on the regions in which we operate.

1



2 Asset Risk Exposure

Assess the vulnerability of our assets to specific climate hazards by reviewing asset-specific factors like building type, age, and elevation.

2



3 Adaptation Planning

Develop tailored adaptation measures for each site and integrate them into long-term asset strategies.

3



4 Monitoring & Management

Complete annual reviews to monitor the effectiveness of adaptation measures and ensure our approach is in line with the latest climate science and market expectations.

4



Resilient Assets

Net Zero

Pursuing the goals of the Paris Agreement requires credible emissions reduction targets and swift, collective action. Aliro is committed to achieving Net Zero and enabling our customers to do the same. This means reducing the emissions under our operational control and partnering with our contractors, suppliers, and tenant customers to reduce the emissions in our value chain.

Towards Net Zero

Our target to achieve Net Zero by 2025 encompasses all Scope 1 and 2 emissions across Aliro’s corporate head offices, as well as landlord-controlled areas at Aliro-owned assets. We use the GHG Protocol’s operational control method to determine our reporting boundary and calculate our emissions.

In 2024, we made significant progress towards achieving this target by transitioning almost 90% of house-controlled electricity accounts to certified GreenPower. We also partnered with third-party consultants to complete energy and emissions audits at all sites across our AGIV and APIV funds. This enabled us to create a refrigerants and diesel register with Scope 1 emissions totals, while identifying opportunities for on-site decarbonisation. The recommendations of these audits will be integrated into our asset strategies and fund business plans. While on-site emissions reduction is our priority, any residual Scope 1 emissions that are not abated through ESD capex will be offset using Australian Carbon Credit Units (ACCU).

We partner with leading, Australian-based carbon offset providers who complete robust due diligence checks and site visits to ensure they invest in high quality carbon projects.

Scope 3 Emissions

It is well documented that the broader real estate sector is a significant contributor to global emissions. These emissions span all phases of the building lifecycle, including the construction process, building operations, and end-of-life. As a developer and landlord, we have a responsibility to understand the sources of emissions across Aliro’s value chain and establish new partnerships and initiatives to help accelerate our decarbonisation efforts.

This year, we partnered with third-party consultants to define our Scope 3 emissions organisational boundary and calculate our emissions footprint, which is summarised below. This sets the foundation for future Scope 3 emissions reduction targets.

EMISSIONS TYPE	DESCRIPTION	ACTIVITIES	% ¹
Scope 1	Direct on-site emissions at assets in our operational control	<ul style="list-style-type: none"> – Burning of fuels (diesel, natural gas) – Fugitive emissions from refrigerant leakage 	<1%
Scope 2	Indirect emissions at assets in our operational control	– Aliro’s use of grid-supplied electricity at sites and corporate head offices	2%
Scope 3 – Upstream	Emissions that our suppliers control	– Products and services we procure for our development activities and operations	40%
Scope 3 – Downstream	Emissions that our tenants control	– Tenant energy consumption using equipment that is the landlord’s responsibility in the lease (e.g. lighting, hot water, HVAC systems)	57%
Scope 3 – Other			<1%

¹Percentage of total emissions (location-based) in Aliro’s CY23 baseline year.

Pursuing the goals of the Paris Agreement requires credible emissions reduction targets and swift, collective action. Aliro is committed to achieving Net Zero and enabling our customers to do the same.

Resilient Assets

Net Zero

Recognising that most of our emissions are generated by sources outside of our operational control, we are committed to working with our suppliers and tenants to deliver meaningful emissions reductions during both construction and building operations.

The strategies we deploy across each of these phases are summarised below.

Upstream Strategies

- Re-use or re-purpose materials to reduce the carbon intensity of brownfield redevelopments
- Scale the use of lower-carbon materials across our development pipeline

Refer to the Embodied Carbon section on [page 18](#) for more information on our approach.

Downstream Strategies

- Deploy real-time energy and solar monitoring systems to measure the emissions intensity of our facilities.
- Complete solar PV and battery feasibility assessments to support higher rates of on-site renewable energy usage.

In 2024, we completed solar PV and battery feasibility assessments at all facilities in our AGIV fund. This identified several opportunities to upgrade existing solar PV systems, as well as suitable candidates for battery energy storage systems. New systems are in design and development at Waverley Exchange, Mount Waverley, Victoria and TripleTwoNine, Caringbah, New South Wales.



Aliro's Development team uses innovative design principles and strategic industry partnerships to create high quality, flexible, and sustainable buildings that deliver enduring value for our customers.

Sustainable Design

Embodied Carbon

As a property developer with over **\$1.3 billion** of projects in our active pipeline, upfront embodied carbon represents a significant source of emissions in our value chain.

Embodied carbon encompasses all emissions produced during a building's creation. This includes the product stage, comprising raw material supply, off-site transport and manufacturing, as well as the construction stage, which covers on-site transport and building installation.

Our approach to reducing embodied carbon involves two key steps:

- 1/ Calculate the upfront carbon intensity of our buildings (lifecycle stages A1–A5); and
- 2/ Explore ways to reduce embodied carbon through our development activities.

\$1.3b

Projects in our active development pipeline

¹Based on the average CO₂ per km (g/km) for the average new light vehicle sold in 2019 of 181 g/km (Vehicle emissions | Green Vehicle Guide) and average distance driven per year for passenger vehicles in Australia of 11,000km (Survey of Motor Vehicle Use | ABS).

CASE STUDY: REDUCING EMBODIED CARBON AT OUR DEVELOPMENT PROJECTS



This year, we completed a study into the upfront embodied carbon content of two recent developments in Victoria, including a full redevelopment at 76 Paramount Boulevard, Derrimut and a refurbishment project at 8–22 Quality Drive, Dandenong South. This enabled us to set a baseline for future emissions reductions and create a blueprint for achieving substantial emissions reductions through the adaptive reuse of existing structures and materials.

Aliro acquired the site at 8–22 Quality Drive, Dandenong South with a development strategy to repurpose the existing buildings and create an institutional-grade warehouse in south-east Victoria. The project involved removing existing racking and mezzanine structures and refreshing the façade, roof, and doors. Existing warehouse slabs were retained and locally repaired where required. This approach enabled us to achieve a 44% reduction in upfront embodied carbon intensity relative to one of our full redevelopments, delivering carbon savings of approximately 12,500 tCO₂-e, equivalent to 6,200 light vehicles travelling 11,000km per year¹.

The 8–22 Quality Drive, Dandenong South project was nominated for The People's Choice Award at the Property Council of Australia's 2024 Innovation & Excellence Awards.

PICTURED:


1/ 76 Paramount Boulevard, Derrimut, Victoria

2/ 8–22 Quality Drive, Dandenong South, Victoria

Sustainable Design Embodied Carbon

In circumstances where full redevelopments are completed, we seek opportunities to use construction materials with lower embodied carbon or recycled content. Our Design Brief includes clauses that require contractors to propose options to use low-carbon concrete in freezer base slabs, columns and footings, and ancillary office slabs, as well as recycled asphalt products in car parks. Our projects in Geebung, Queensland and Chipping Norton, New South Wales are currently trialling these materials.

Looking ahead, we intend to trial new low-carbon materials that can be used in the most carbon-intensive components of industrial and logistics facilities, such as the ground floor slab. Our focus is on demonstrating innovation wherever possible, but also designing buildings that can accommodate emerging industrial applications such as automation. Our deep experience and strong relationships with industry experts positions us to balance these priorities across future projects.



Our focus is on demonstrating innovation wherever possible, but also designing buildings that can accommodate emerging industrial applications such as automation.

Sustainable Design Green Star

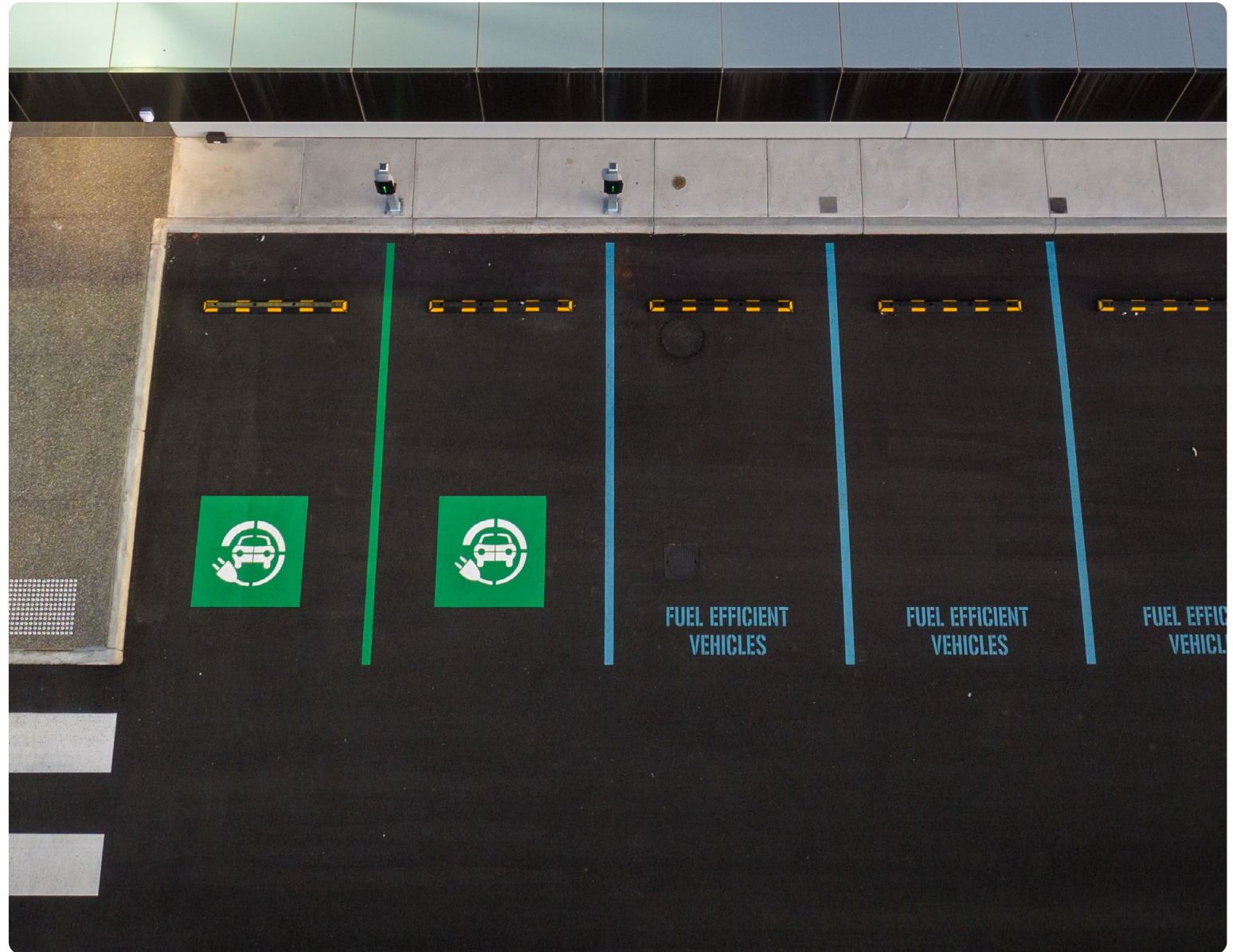
We continue to certify our development projects through Green Star, Australia's largest voluntary, holistic rating system. This allows us to demonstrate that we are delivering high quality, sustainable assets for our customers. As a member of the Green Building Council of Australia, we also actively participate in the development of new rating tools that aim to continue transforming the Australian built environment.

All new developments in our AGIV fund now target a minimum 5-star Green Star Design & As Built v1.3 rating or 4-star Green Star Buildings v1.0 rating. We also assess opportunities to deliver 'stretch' ratings above our minimum targets using internal credit pathways, forecasting tools, and pre-DA design reviews. This helps us understand the potential of each new development, as well as the impacts of specific sustainability features on project costs and delivery timelines.

4.5★

Green Star average across the AGIV portfolio

¹Average rating, normalised by GLA, for projects rated under Green Star Design & As Built v1.3.



Aliro is committed to upholding robust governance practices with clear policies, processes, and controls to help us operate the business in a responsible and ethical manner.



Responsible Business Governance and Risk

Aliro’s Board has ultimate responsibility for overseeing our approach to ESG and risk management. The Board is supported by the Risk Committee and the ESG Committee.

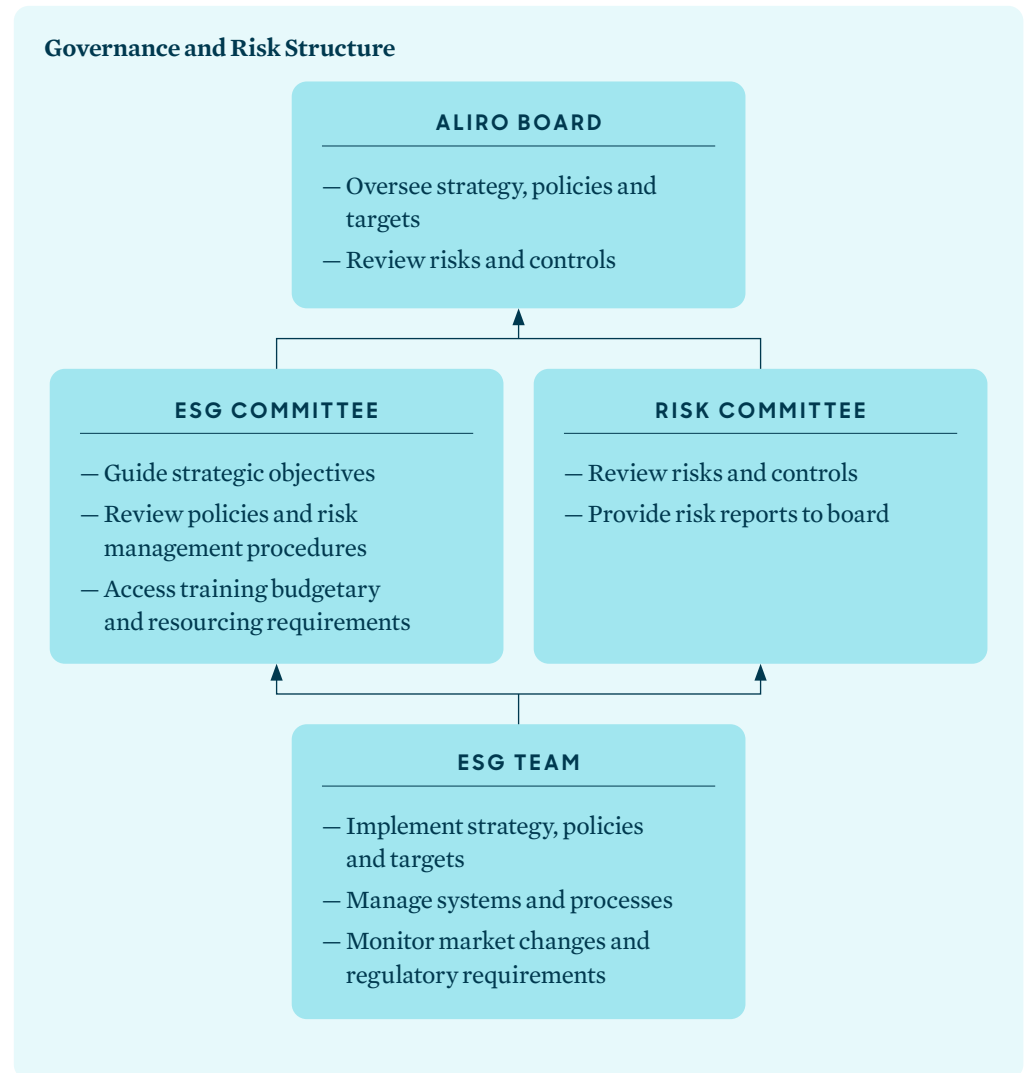
Aliro’s Risk Committee is responsible for maintaining Aliro’s enterprise risk register, reviewing our risk management framework, and providing quarterly risk management reports for the Board. This involves assessing various risks facing the business, including climate-related risks, while also ensuring that control measures are carried out effectively.

Our ESG Committee, comprising representatives from Senior Leadership, ESG, Asset Management, Development, Transactions, and Funds Management, is responsible for guiding Aliro’s strategic approach to ESG. Meetings are held quarterly and used to review objectives, policies, training programmes, and reporting. The Committee provides updates and recommendations to the Board to help them maintain regular oversight on these matters.

Aliro’s ESG team is responsible for the day-to-day delivery of our strategic objectives and reporting on our progress. This involves providing strategic direction to other business units, including Aliro’s Transactions, Development, and Asset Management teams, ensuring that objectives, policies, and risk management procedures are integrated effectively across our Delivery platform.

All Aliro employees are empowered to drive positive sustainability outcomes through their day-to-day activities. This is reinforced by our shared KPIs model, which links common ESG objectives to Group-wide remuneration outcomes, incentivising our people to take collective ownership of our goals. Employees are also guided by Aliro’s Code of Conduct, which outlines our commitment to our core values, ethical standards, and the expectations we have of our people. Our Code of Conduct and other policies are available on our website.

All Aliro employees are empowered to drive positive sustainability outcomes through their day-to-day activities.



Responsible Business

Sustainability-Linked Loan

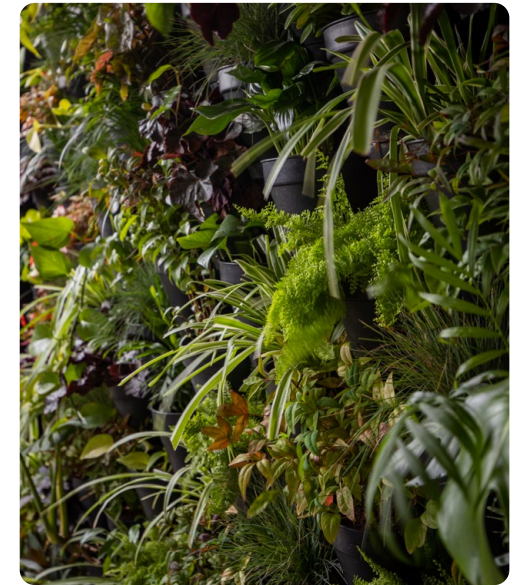
The use of sustainability-linked financing helps embed Aliro’s ESG objectives and those of its managed funds.

In 2024, we established a Sustainability-Linked Financing Framework (“Framework”) and converted AGIV’s \$700 million syndicated debt facility to Sustainability-Linked Loan (“SLL”) format. The loan was syndicated by all current lenders including ING, Credit Agricole, CBA, and Westpac, with ING acting as Sustainability Coordinator. Independent assurance providers were commissioned to provide a Second Party Opinion on the SLL’s alignment with the Sustainability-Linked Loan Principles (2023).

Sustainability performance will be measured annually through selected Key Performance Indicators (“KPIs”) that are relevant and material to AGIV and our overarching ESG Strategy. KPIs relate to the following topic areas:

On completion of the conversion, AGIV’s financial performance will be aligned with the delivery of Green Star-rated assets powered by on-site renewable energy. It also means the Fund’s performance is intrinsically tied to supporting the ESG needs and aspirations of our tenant and investor customers.

We are committed to reviewing our Sustainability-Linked Financing Framework over time to identify opportunities to expand our sustainable financing offering as we grow our funds management platform.



Solar PV

1

An icon depicting a sun in the upper left, a solar panel in the middle, and a battery symbol in the lower right, all connected by lines to represent a solar power system.

Green Leases

2

An icon showing a document with a circular arrow around it, symbolizing a lease agreement or a process that is renewed or recycled.

Green Building Ratings

3

An icon of a building with a leaf growing from its roof, representing green building or sustainable architecture.

Sustainability performance will be measured annually through selected Key Performance Indicators that are relevant and material to AGIV and our overarching ESG Strategy.

Responsible Business

Benchmarking our Performance

Aliro uses industry benchmarks and rating tools to measure our sustainability performance against our peers and the broader property sector.

GRESB

In 2024, AGIV participated in GRESB for the fifth time. The fund scored 86/100 for the Real Estate Assessment, a six-point increase from 2023, climbing to first place in our peer group for the first time since its inception. In the Development Assessment, AGIV was recognised as a Regional Sector Leader in the Oceania-Industrial category after earning a score of 98/100, up four points from last year.

We attribute this performance to obtaining new green building certifications, reaching greater than 90% portfolio coverage for real-time data monitoring, enhancing our climate risk management approach, elevating our Design Brief, and delivering a range of ESD capex measures that helped reduce energy, GHG and water intensity at our assets.

Green Star Performance

We also continue to rate stabilised assets using Green Star Performance to benchmark our performance to industry standards. This year, AGIV maintained its 3-star portfolio average with a rated coverage of 60% for eligible assets. This demonstrates our ability to maintain a high level of operational performance for a range of asset types, including distribution warehouses, refrigerated warehouses, and manufacturing facilities. As we look ahead to the release of the new Green Star Performance tool, we're focusing on elevating our policies and processes to ensure we continue delivering positive sustainability outcomes that meet specific tenant needs, while also ensuring our capex programmes are robustly provisioned to maintain their excellence and leadership. Refer to the Customer Engagement section of this report on [page 27](#) for more details on our approach.



1st

Peer group ranking in GRESB Standing Investments Benchmark



Regional Sector Leader in Oceania-Industrial category

¹1st of seven peers in the Industrial: Distribution Warehouse (non-listed, value added) peer group.

²2nd of 12 peers in the Industrial: Distribution Warehouse: Non-refrigerated Warehouse (non-listed, value added) peer group.

By building trusted relationships with our people and partners, we foster a strong culture and deliver an exceptional customer experience.



People & Partnerships

People & Culture

Aliro recognises that our people are central to the delivery of our strategy. Building a strong culture and a highly engaged team helps us attract and retain top talent and empowers the business to achieve its goals.

One of the ways we measure the success of our approach is through periodic employee engagement surveys. These surveys are completed internally and are designed to provide Aliro's Senior Leadership team with critical data and insights that help shape the future of our workplace and culture.

The results of this year's survey indicated that we continue to achieve very high rates of employee satisfaction, with 95% of respondents reporting that "I am proud to work at Aliro". This was up from 94% in 2023. We saw improved scores for the Training & Development and Psychological Safety categories, which we attribute to the continuation of our work with Performance by Design. This training provides all Aliro teams with guidance on understanding behaviours, goal setting, and how to build an inclusive and high-performance environment.

Key opportunities for improvement in this year's survey related to Health & Wellbeing and Diversity & Inclusion, despite both categories returning high scores of 87%. We have recently released a new Diversity, Equity & Inclusion Policy to ensure our people feel valued, respected, and able to fully contribute to their work. Our hybrid work model continues to support employees to work in a way that is most productive for them, while also supporting a positive work-life balance. We also use state-based Social Committees to promote belonging and inclusion across each of our offices through regular events and activations.



We continue to achieve very high rates of employee satisfaction, with 95% of respondents reporting that "I am proud to work at Aliro."

People & Partnerships

Customer Engagement

We are committed to creating positive and lasting relationships with our tenant customers through regular engagement and support.

This year, we launched our new Customer Strategy, which comprises three key pillars: Partnership, Growth, Advocacy. Through active engagement, we establish strong working relationships with our tenants to ensure we are delivering an outstanding customer service offering. As we deliver on our promises, this builds trust with our customers and provides the foundation to have more open conversations where we look to establish a deeper understanding of their needs.

The specific needs of our customers are wide and diverse. Through active engagement and periodic surveys, we seek to understand these needs and establish tailored customer strategies. Our 2024 Tenant Insights Survey revealed that 60% of our respondents rate ESG as either 'Important' or 'Very Important' in their organisation's decision to lease. Additionally, more than half of respondents have either achieved Net Zero or are considering implementing Net Zero targets in the future. These insights enable us to implement strategic asset plans that support our tenant customers with their goals.

We are also committed to building strong relationships with other Industrial & Logistics occupiers in the markets in which we operate. Aliro's deep experience across Development Management, Asset Management, and ESG enables us to create high quality, purpose-built facilities that support the current and future needs of a wide range of businesses and industries.

Our 2024 Tenant Insights Survey revealed that 60% of our respondents rate ESG as either 'Important' or 'Very Important' in their organisation's decision to lease.



People & Partnerships

Giving & Volunteering

Aliro employees participate in a wide range of giving and volunteering initiatives each year.

In 2024, our teams continued their fundraising efforts for several organisations. Aliro's contribution to the PCA's Property Industry Foundation ("PIF") helped finance three Haven House projects, which provide much-needed accommodation for homeless youth in Sydney and Melbourne. Our participation in the Chain Reaction Challenge raised over \$300,000 for So They Can, a not-for-profit organisation that works with local communities and governments to provide quality education to children living in poverty in communities in East Africa (Kenya & Tanzania). A full breakdown of our donations and fundraising is available in the Appendices, shown on [page 31](#).

Our people are provided with two days of volunteering leave each year. In November, Aliro's Sydney team returned to volunteer with ReLove, a registered charity that rescues furniture and white goods from its corporate partners and delivers them directly to people moving out of crisis and into long-term housing. In Melbourne, our team participated in a range of PIF initiatives, including the House Working Bee to assist with property upkeep, the Toiletries Drive to collect essential items for those in need, and the Tour De PIF Bike Ride to raise funds and awareness.



Our participation in the Chain Reaction Challenge raised over \$300,000 for So They Can, a not-for-profit organisation that works with local communities and governments to provide quality education to children living in poverty in communities in East Africa.

Appendices

2024 Sustainability Targets

RECOMMENDATIONS	STATUS	PROGRESS
Resilient Assets		
Launch Fund-level physical climate risk platforms with asset-level residual risk scores.	●	We launched a new physical climate risk platform in September 2024.
Implement Community Resilience Plan at our TripleTwoNine project in Caringbah, New South Wales.	●	Our new Climate Resilience Plan was distributed to tenants at TripleTwoNine, Caringbah, New South Wales through the estate's Sustainability Committee.
Abate Scope 2 emissions by transitioning to 100% renewable electricity.	●	We transitioned almost 90% of house-controlled electricity accounts to GreenPower in 2024.
Finalise Scope 1 emissions footprint, equipment register, and offsets strategy.	●	Energy and emissions site audits were completed at all AGIV and APIV assets, which enabled us to complete diesel and refrigerant registers for each portfolio.
Obtain Green Star Performance ratings for our assets at 427–251 Somerville Road, Tottenham, Victoria and 8–22 Quality Drive, Dandenong South, Victoria.	●	We obtained new ratings for 427–251 Somerville Road, Tottenham, Victoria and 8–22 Quality Drive Dandenong South, Victoria and maintained our 3-star Green Star portfolio rating for AGIV.
Continue identifying and delivering tailored ESD capex initiatives to improve environmental performance and mitigate climate risk.	●	Range of ESD capex initiatives implemented at AGIV and APIV sites during the year.
Sustainable Design		
Complete an embodied carbon benchmarking assessment and decarbonisation strategy.	●	Assessment and strategy was completed at 76 Paramount Boulevard, Derrimut, Victoria and 8–22 Quality Drive, Dandenong South, Victoria to enable comparison between full redevelopments and minor refurbishments.
Install 1MW of new rooftop solar PV capacity across our AGIV fund.	●	New solar PV systems were installed at 22 Ellison Road, Geebung, Queensland and Waverley Exchange, Mount Waverley, Victoria. Other systems in development are due for completion in early 2025.
Develop future-proofing EVs strategy, including launch of online management platform to optimise load management and support tenant energy needs.	●	New partnership established with EV charging management software provider.

KEY:

● Completed

● In progress

● Planned

Appendices

2024 Sustainability Targets

RECOMMENDATIONS	STATUS	PROGRESS
Responsible Business		
Complete Scope 3 emissions Basis of Preparation and decarbonisation plan, and set medium- and long-term emissions reductions targets across all emissions scopes.	●	Basis of Preparation, detailing Aliro's Scope 3 organisational boundary and emissions baseline, was completed by third party consultants in preparation for target setting in 2025.
Implement strategies to improve on our 2023 GRESB score, including improved data completeness, greater asset rating coverages, and lower tenant energy and water use.	●	Portfolio-wide roll-out of monitoring systems, other ESD capex initiatives, and new green building certifications led to an improved GRESB result in 2024.
Publish Reflect Reconciliation Action Plan (RAP).	●	We are exploring alternatives to RAPs that allow us to focus on specific reconciliation issues most material to Aliro.
People & Partnerships		
Identify all certified First Nations-owned businesses and Social Enterprises in our existing supplier base.	●	Review to be completed following Group-wide transition to new finance system.
Conduct tenant satisfaction survey capturing tenant ESG needs and priorities.	●	Tenant satisfaction survey was completed in 2024 by an independent third party.
Explore opportunities to design for occupant health and wellbeing at our development projects.	●	Our Development team has delivered a range of new health and wellbeing-focused amenities at our projects.

KEY:

● Completed

● In progress

● Planned

Appendices

Charitable Donations

ORGANISATION	FY24 DONATIONS
So They Can	\$43,500
Property Industry Foundation (PIF)	\$88,100
Chris O'Brien Lifehouse	\$1,000
FDC Ride To Give (BackTrack Youthworks and Boys to the Bush)	\$10,000
ReLove	\$11,500
Total	\$154,100

Access to Value





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