Procedure

Title: **Basis of Preparation (Australia)**

Cromwell Property Group ESG Report

Responsibility: **ESG Team**

1. MANAGEMENT APPROACH

1.1. Introduction

Cromwell's Basis of Preparation outlines the methodology employed for measuring, calculating, and reporting ESG data. This approach aligns with recognised standards, including the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), the Greenhouse Gas Protocol and the Corporate Value Chain (Scope 3) Standard. Select ESG performance indicators, as detailed in this framework, undergo limited assurance procedures adhering to applicable standards for non-financial reporting. Cromwell maintains advanced data governance over, data capture, management, storage, and employ regular review practices by using platforms such as Workday, Envizi, Gurru Bintracker and Yardi, as well as independent third parties with subject matter expertise.

1.2. Approach to risk management

Cromwell employs an approach to managing ESG risks and opportunities aligned with its ISO 14001:2015 certified Environmental Management System (EMS). This framework is used to ensure we take proactive measures to minimise our environmental footprint, comply with relevant legal requirements, and achieve our environmental objectives. The system of continuous improvement encompasses various aspects, from resource usage and waste management, to monitoring environmental performance and involving stakeholders in environmental commitments.

2. REPORTING BOUNDARY

The reporting year is the latest financial year (1 July to 30 June) to which report content and data relates. Different facility management and leasing conditions further restrict our capacity to collect and uniformly disclose operational data. The boundary for this report is therefore defined around the level of ownership and operational control through which Cromwell can implement its ESG Strategy or influence ESG outcomes. A list of all current properties can be found on the Cromwell Property Group website.

Cromwell uses the following definitions:

Category	Definitions
Fund and asset management	**Operational control:** Where Cromwell is responsible for setting operational standards for the property services and performance as well as for setting and delivering capital works and investment strategies to reduce energy and

	improve the asset, Cromwell maintains operational control. The full list of assets and operational control status is available in the FY26 ESG Data Pack. The Cromwell entities that are considered under operational control are the following: The Cromwell corporate employer entity for Australia: - Cromwell Operations Pty Ltd (4 corporate office tenancies under operational control) Cromwell Australian investment portfolio: - Cromwell Diversified Property Trust (CDPT) Cromwell investment management: - Cromwell Direct Property Fund (CDPF) - Cromwell Property Trust 12 (C12) - Cromwell Riverpark Trust (CRT) - Cromwell Industrial Partnership (CIP) (active from 1st April 2026)
	Non-operational control: Property assets and spaces where the tenant-customer holds a lease with full management control over the space or premises that they occupy, the tenant manages and maintains data for the space or premises, and Cromwell is unable to directly set policy or implement change. This can include tenancies or entire tenant-controlled buildings, the full list of assets and operational control status is available in the FY26 ESG Data Pack. In all cases, these spaces are considered under non-operational control, and all energy related emissions are categorised under scope 3 category 13 downstream leased assets. To ensure data completeness, waste and water metrics are collected where data is available and incorporated into portfolio statistics, including emissions, recycling rates, and total water consumption. Other operational businesses where Cromwell does not have a majority ownership of >51% and/or does not have management control are included within scope 3 category 15 investments, applicable to Phoenix Portfolios and Oyster Property Group. Category 15 also includes the Cromwell Industrial Partnership (CIP) after acquiring a financial interest from 14th December 2026 until 1st April 2026, when assets were considered under management and captured accordingly.
	Transitioning: Assets in development or held for development are excluded from reporting. This currently applies to the development site Barton1, and facilities under development at Kilsyth Connect Logistics Park and Cavan Connect Logistics Park. When facilities are completed and operational, these are captured according to operational control. For the Cromwell Industrial Partnership the data transition is still in progress. For this reason data for waste, diesel and refrigerant top ups could not be

	captured for the 3-months under management in FY26 and is therefore excluded for this year.
Corporate operations	Cromwell's workforce, corporate policies, training, Cromwell corporate office emissions and other impacts associated with managing business operations. Corporate emissions related to Cromwell Operations Pty Ltd are calculated by a third party as part of the Climate Active carbon neutral certification scheme. In the corporate operations emissions inventory this methodology is used for our category 7 (employee commuting).

3. METHODOLOGY AND DEFINITIONS

For details, refer to the methodology outlined in the ESG Data Pack for definitions used, calculation methodology undertaken, inclusions and exclusions.

3.1. Methodology

All emissions are reported in tCO2e.

3.1.1 Scope 1 and 2 emissions (location-based)

Cromwell reports its scope 1 and 2 emissions with the operational control approach. Energy consumption data, covering electricity, natural gas and diesel is captured using Cromwell's Australian environmental data management system, Envizi. Associated emissions are calculated using the Australian Government National Greenhouse Accounts (NGA) scope 1 and 2 emissions factors. Diesel and Refrigerant emissions are reported when equipment is refilled as recorded in Envizi from maintenance invoices.

Electricity related emissions are reported using both location-based and market-based methodologies and emissions factors. Where consumption data is not separately metered for base building or tenants, 50% of the whole building consumption is allocated to the base building as per the National Australian Built Environment Rating System (NABERS). The 50% allocation is supported by Cromwell assets that have base building and tenant consumption data separated. A 50% split allocation is implemented at 2-24 Rawson Place, Sydney.

3.1.2 Scope 2 emissions (market-based)

The market-based methodology that is applied in Australia follows the Climate Active Electricity Accounting Guidance, which is aligned to the Property Council of Australia's interpretation of the GHG Protocol. Under this methodology, the following activities are recognised as renewable energy with zero emissions: Large Generation Certificates (LGCs) surrendered as part of the mandatory Australian Renewable Energy Target scheme; accredited LGCs purchased and surrendered under offsite voluntary grid renewable electricity schemes such as GreenPower; LGCs surrendered through a Power Purchase Agreement; or electricity generated and consumed on-site from renewable sources. Emissions are calculated by applying a Residual Mix Factor (RMF) to the electricity purchased from the grid with no associated LGCs. The RMF removes the benefit of claimable renewable electricity generation from the emissions factor used in the location-based methodology, to avoid double counting of the zero emissions attribute of renewable energy generation.

3.1.3 Emissions intensity

Measured in kgCO2e/m^2, where the denominator is the Total Lettable Area (TLA) of assets under management, including properties where Cromwell does not have operational control. The lettable area is determined using the net lettable area (NLA) for office assets and the gross lettable area (GLA) for warehouse assets.

GLA and NLA are measured and defined by the Property Council of Australia Method of Measurement. Assets acquired or disposed of in reportable financial year are proportionately adjusted to account for time managed.

3.1.4 Scope 3 category 1 purchased goods and services and category 2 capital goods

All scope 3 emissions are reported using the categories and methodology of the GHG Protocol Corporate Value Chain (Scope 3) Standard.

Expense distributions (AUD spend) are used to map business activities against the North American Industry Classification System (NAICS). Categorised expense data can then be used with the US Environmental Protection Agency (US EPA) supply chain environmentally-extended input-output emissions factor database (tCO2e / USD) to calculate category 1 and 2 emissions. The US EPA factors are used to standardise our methodology across all Cromwell entities and industries in our supply chain.

The US EPA emissions factors are uplifted to 2026 USD using an inflation rate calculated from the US Consumer Price index for Dec 2022 and Jun 2026. This process aligns with the US EPA usage guidance. The factors are converted from USD to AUD using the average exchange rate for the reporting period sourced from the Reserve Bank of Australia. Spend data for the financial year is separated into corporate or fund related expenses and categorised by expenditure type (capital or operational).

Water consumption is measured as total volume (kL) of water consumed within the Reporting Boundary and not returned to the environment. Total volume is captured using Cromwell's environmental data management system, Envizi, through meter equipment or uploaded from invoices. Where data is not available in Envizi, consumption is sourced directly from invoices. If invoices are not available for the reporting period consumption is estimated based on historical data for the reporting year. For new assets where historical data is not yet available it is estimated based on the water intensity of assets of the same asset class in the Cromwell portfolio. Water consumption data is captured and reported at a whole building level for all property assets including where Cromwell does not have operational control.

For office locations used for Cromwell’s corporate operations, where Cromwell is also the asset manager, data is included in asset reporting. When Cromwell is not the asset manager water consumption is requested from the landlord/s for the whole building and apportioned based on the TLA of the Cromwell tenancy compared to the whole building TLA. The NGA emissions factor for water emissions is applied to convert kL to emissions.

3.1.5 Scope 3 category 3 fuel and energy-related emissions

Category 3 emissions are calculated and reported both by location-based and market-based electricity and fuel scope 3 factors in the NGA. Apportioning of electricity consumption (kWh) is done according to the Climate Active Electricity Accounting Guidance, as mentioned in 3.1.2 Scope 1 and 2 emissions (market-based).

3.1.6 Scope 3 category 4 upstream transportation and distribution

Expense distributions are collected for Cromwell Operations Pty Ltd (AUD spend) and follow the same calculation process as scope 3 category 1 and 2 emissions, refer to section 3.1.4 for the full emissions calculation process for expense-based activity data.

3.1.7 Scope 3 category 5 waste generated in operations

Waste data is collected in tonnes. For landfill waste generated during operations the NGA emissions factor for landfill waste is applied to convert tonnage to emissions. For construction waste the emissions factor is dependent on the type of waste that was disposed, all factors are sourced from the NGA.

Waste data is collected in tonnes separated waste by destination (landfill, recycling) and recycling stream (organics, paper and cardboard, mixed recycling and other recycling), including properties not under operational control. Where there are delays in waste data being collected, an estimation is made based on existing data provided in the reporting period-Where waste data is not shared with Cromwell it is estimated using a landfill waste intensity factor (tonnes per TLA) for landfill waste generated at other Cromwell assets and applied to the TLA of the asset where data is unavailable. In FY26 this includes tenants in assets not under operational control for 203 Coward St, Mascot and excludes assets in the Cromwell Industrial Partnership as waste data is not available and could not be estimated with available information.

Waste data for our corporate offices is not available separate from base building waste or other tenants. Where Cromwell is the asset manager, emissions are captured in asset reporting; where Cromwell is not the asset manager, waste data is requested for the whole of building and apportioned by the TLA of the Cromwell tenancy against the whole building LA.

Construction waste data for landfill and recycling is collected at project completion rather than at time of collection. At project completion contractors provide a summary of waste collected as recorded on invoices.

3.1.8 Scope 3 category 6 business travel

Business travel data is sourced from Cromwell's corporate travel provider. Cromwell uses a third-party provider to calculate business travel emissions related to flights, this in incorporated in our travel management service. Emissions are calculated using the *UK Government GHG Conversion Factors for Company Reporting* published by the UK Department for Environment, Food & Rural Affairs (DEFRA).

Emissions for business related flights are calculated using the kilometres travelled for each flight multiplied by an emissions factor. As per the DEFRA guidance this emissions factor is dependent on both journey type and passenger class. For Australian domestic flights, the journey type is categorised as "International" (flights to or from non-UK countries).

Hotel accommodation data summarised by location and service category or star rating to determine the applicable emissions factor from the Cornell Hotel Sustainability Benchmarking Index 2026 and multiplied by the number of nights for the total emissions.

For taxis and rideshares (not used for commuting to and from home as captured in category 7), Climate Active emissions factors are applied to expense data in AUD.

Car hire data is quantified by the type of vehicle, the number of hire days and when available the distance travelled. Following the Climate Active methodology, the distance travelled (km) is averaged to kilometres travelled per day and extrapolated to determine the total kilometres travelled over the total number of hire days.

3.1.9 Scope 3 category 7 employee commuting

Emissions for category 7 are calculated by a third party as part of the Climate Active certification scheme. An annual survey is used to collect employee commuting information, including modes of transport, region, distance travelled, frequency of commute, frequency of working from home and home electricity supply. While most Australian employees respond to the survey, results are extrapolated by employee full-time equivalent figures at the end of the nine-month financial reporting period to represent all Cromwell employees. The total emissions are calculated using the Climate Active work from home, and local travel emissions factors.

3.1.10 Scope 3 category 8 upstream leased assets

Base building electricity, gas, diesel and refrigerant data is provided by Cromwell's landlords and apportioned by our tenanted floor space against the total building's lettable area (LA). Emissions are calculated by a third party using the Climate Active methodology and emissions factors. Electricity related emissions are reported using the market-based methodology. Where Cromwell is the landlord emissions are already captured in scope 1 and 2 and therefore, not repeated in category 8.

3.1.11 Scope 3 category 11 use of sold products

As per the GHG Protocol Corporate Value Chain (Scope 3) Standard and the UK Green Building Council Guide to Scope 3 Reporting in Commercial Real Estate, whole life impacts for existing buildings are not accounted for by the building seller or purchaser at the point of transfer. However, where a speculative developer constructs a new building to sell to the market, the building is treated as a product and the scope 1 and 2 emissions of future building occupants is modelled for the 60-year lifetime of the building and must be included in the developer's scope 3 reporting the year in which the building is sold.

From FY22 to FY26, Cromwell did not develop and then sell any new buildings. Therefore, no emissions are associated with the operational lifecycle emissions of any sold developments, but Cromwell will do so in future if the situation arises.

3.1.12 Scope 3 category 13 downstream leased assets

Category 13 captures emissions from tenant-controlled spaces including those from electricity and natural gas consumption. Emissions from electricity consumption are calculated using the same market-based methodology as in section 3.1.2 Scope 2 emissions (market-based). For assets within the Reporting Boundary the following assumptions apply. Natural gas consumption is captured in Envizi (Cromwell's Australian environmental data management system), where there is no data captured it is assumed there is no tenant managed gas consumption. In the case of electricity emissions, an emissions calculation hierarchy is applied depending on the data quality:

1) For all Australian properties except 2-24 Rawson Place, Sydney, Cromwell has sub-metered data to separate areas based on operational control, such as base building services separated from tenant operated spaces.

2) Where metered tenant data is unavailable due to a lack of submetering or a tenant unwilling to share their energy data, whole building metered data for Australian properties is apportioned as 50% base building and 50% total tenancy, as prescribed by the National Australian Built Environment Rating System (NABERS).

3) Where neither metered tenant data nor whole building data is directly available to us, it is requested from the tenants. This is applicable only to non-operationally controlled properties.

4) If none of the above apply and historical performance data is available, historical data will be used to substitute missing information, or though other suitable means. In FY26, there was one occasion where tenant data was not available using any of the above methods:

> a. Electricity usage was estimated using the lettable area, location and asset class applied to the *Commercial Buildings Baseline Study 2024* (revised February 2025) published by the *Australian Government Department of Climate Change, Energy, the Environment and Water*.

3.1.13 Scope 3 category 15 investments

This includes emissions from investment in Oyster Property Group, Phoenix Portfolios and Cromwell Industrial Partnership, where Cromwell does not have operational control of the real estate assets. Three approaches are taken for each entity:

1) Where we have equity in companies with physical real estate, such as Oyster Property Group, scope 1 and 2 emissions data is requested from the entity with operational control and apportioned based on our equity share in the entity. This includes emissions from refrigerants, diesel, natural gas and electricity (location-based). Where data for refrigerants, diesel or natural gas is not available it is assumed as zero emissions under the assumption that the relevant equipment is not managed by Oyster Property Group. For relevant asset emissions data is apportioned based on equity share, this excludes tenant managed assets that are not considered scope 1 or 2 for Oyster Property Group.

All Oyster Property Group assets are based in New Zealand as at 30 June 2026. Therefore, New Zealand location-based factors are used based on *Measuring emissions: A guide for organisations* from the New Zealand Ministry for the Environment. Electricity consumption is captured via metering or invoices, and primary energy data (kWh) is prioritised. Some energy data is not available for the entire year, the available months are extrapolated to cover the entire year.

2) Cromwell has a 45% equity share in Phoenix Portfolios and manages three funds under the operational control approach emissions related to the three managed funds are reported at 100%. To avoid double counting, emissions relating to the 45% equity in Pheonix Portfolios is not included in this estimate. In future we endeavour to capture the scope 1 and 2 emissions of Pheonix Portfolios to appropriately include this investment at our 45% share.

Phoenix Portfolios and the managed funds invest in shares for real estate companies. An emissions factor for commercial real estate has been estimated using the following approach: first, the total emissions in Australia are obtained and 10% of these emissions are apportioned to commercial real estate. This is then divided by the total financial value of commercial real estate in the Australian economy. This provides the emissions factor that is then applied to the Assets Under Management (AUM) value of the 3 managed funds at 30 June.

3) During FY26 Cromwell acquired a 19.9% interest in an Australian industrial portfolio and 100% interest in an Australian industrial management platform. For the period where Cromwell held an interest in the portfolio and did not yet manage the assets (14 December 2025 to 1 April 2026) scope 1 and 2 emissions for the entity are accounted for in Category 15 – Investments. Due to limited data availability, the emissions profile includes natural gas and electricity usage under operational control and excludes any diesel or refrigerant top ups. After 1 April 2026 assets are considered under operational control and emissions are allocated based on the operational control approach.

3.1.14 Water consumption

Water data collection process is also in section 3.1.4. Water consumption is measured as total volume (kL) of water consumed within the Reporting Boundary and not returned to the environment. Total volume is captured using Cromwell's Australian environmental data management system, Envizi. Where data is not available in Envizi, consumption is captured through invoices. Water consumption data is captured and reported at a whole building level for all property assets including where Cromwell does not have operational control. If invoices are not available for the reporting period consumption is estimated based on historical data for the reporting year. For new assets where historical data is not yet available it is estimated based on the water intensity of assets of the same asset class in the Cromwell portfolio. Water consumption data is captured and reported at a whole building level for all property assets including where Cromwell does not have operational control.

Water consumption for corporate operations is captured through whole of building data, requested from the landlord/s and apportioned based on TLA of our tenancy compared to the whole of building.

3.1.15 Recycling rate

Refer to section 3.1.7 for the waste data collection process. Recycling rate is the percentage of total operational waste recycled (including organics, liquid waste and plastics) to total waste generated (recycled and landfill) within the Reporting Boundary. This performance indicator does not include construction waste or estimated waste (applicable to Soward Way, Greenway). The recycling rate does capture waste generated by all tenants where data is available. In FY26, this includes tenants in assets not under operational control (203 Coward St, Mascot) and excluded the assets in the Cromwell Industrial Partnership, due to data limitations.

3.2. Methodology

All employees are listed under the entity Cromwell Operations Pty Ltd.

3.2.1 Gender pay gap

Measured in a percentage, the gender pay gap is the difference between the average earnings for men and women, expressed as a percentage of men's average earnings. Data is annualised to total compensation including superannuation and excluding bonuses as at 30 June. Also includes CEO and fixed-term employees (full-time and part-time) but excludes directors, contractors and casual employees.

3.2.2 40:40:20 gender representation

The target ratio of minimum 40% men, 40% women, and 20% any gender across all leadership levels including casual employees. All Australia employees are asked their gender upon employment and may choose to reassign their gender. This information is stored on employee profiles and extracted from Workday, the human capital management software administered by Cromwell.