



# SUSTAINABLE SHOPPING IS HOT PROPERTY

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*Australia's retail property sector is tapping into clean energy to become more sustainable, resulting in better outcomes for tenants, shoppers and the bottom line.*

QIC Shopping Centre Fund's (QSCF's) property footprint is enormous – more than one million square metres of floor space and 145 million visitors each year, generating more than \$6 billion in retail transactions. So, it's good news that Queensland Investment Corporation (QIC) – one of Australia's largest institutional fund managers – is taking action to downsize its carbon footprint, working with the Clean Energy Finance Corporation (CEFC) to secure a sustainable future for its large-scale assets.

Delivered in collaboration with leading sustainability experts, including ongoing consultation with the CEFC, QIC's Global Real Estate division (QIC GRE) is shooting for a range of ambitious sustainability targets for its QSCF retail portfolio, including a commitment to achieve net zero carbon emissions for its core Australian retail assets by 2028. The achievement makes QIC GRE the first Australian signatory to the World Green Building Council's Net Zero Carbon Buildings Commitment for a retail portfolio.

In an Australian-first business-to-business collaboration in the retail property sector, the CEFC has invested in QSCF to support energy efficiency, sustainable infrastructure and technology in its shopping centres across Queensland, Victoria, New South Wales and the Australian Capital Territory.

Shopping centres account for around 36 per cent of commercial building energy consumption in Australia, offering a significant opportunity to transform energy use and reduce Australia's carbon emissions.

'Australia has more than 1750 shopping centres, and less than 10 per cent have attained National Australian Built Environment Rating System (NABERS) ratings that measure how well they perform in terms of energy use,' CEFC Director Michael Di Russo says.

'Shopping centres have substantial energy needs, including year-round heating and air conditioning, and there is a range of sustainability measures that can improve their energy efficiency.'

QIC GRE is targeting a minimum 4-star NABERS energy rating for its core retail

assets by 2023, which will translate to energy savings of between 30 and 40 per cent. The fund is also committed to designing all new developments to a 5-star NABERS energy rating.

Energy efficiency measures will be tailored to each building, and will include one of Australia's largest rooftop and car park solar projects, LED lighting in car parks and centres, heating and air-conditioning upgrades, battery storage technology to manage peak demand, and sub-metering and energy data monitoring systems, which will provide data to optimise energy management.

'Successfully implementing these initiatives will contribute to achieving our triple bottom line objectives of improved economic, environmental and social outcomes,' says Michael Fattouh, QSCF Fund Manager.

A data-driven approach is being used to significantly improve the sustainability and performance of its Australian retail assets through a building analytics program delivered with Australian specialist technology provider CIM.



Eastland Shopping Centre, in Melbourne

CIM's building analytics platform integrates building intelligence, machine learning and technical engineering support, analysing live information from more than 40,000 data points to deliver insights to optimise management of the shopping centres' most energy-intensive equipment and systems.

Through features like live fault and root-cause identification, heating and cooling equipment optimisation, and elimination of unnecessary maintenance, the platform helped to notably improve tenant relationships in its first 12 months through early fault identification and rectification, and provided a 10 per cent reduction in emissions.

Analysis of the data is also being used to map out an evidence-based capital expenditure program focusing on smart investments for key equipment and building management system upgrades, providing scope for further energy reduction projects in the future.

QIC GRE is also rolling out almost 25,000 LED lights across car parks, back-of-house areas and loading docks in a project that delivers significant efficiencies in energy consumption and improved safety, and convenience for customers and centre staff.

The lights reduce circuit load by an average of 50 per cent, while also providing a brighter ambience when installed.

QIC GRE continues to work closely with the CEFC on a range of other initiatives,



Robina Town Centre on the Gold Coast

including the potential of incorporating electric vehicle infrastructure and engagement with centre tenants on the benefits of energy efficiency and clean-energy initiatives.

The CEFC investment into QSCF is part of its focus on clean energy solutions for Australian cities under its Sustainable Cities Investment Program, which aims to cut emissions while supporting economic growth.

Energy-efficient buildings using proven clean energy technologies reduce stress on the electricity network, lower electricity consumption, and support a

least-cost pathway to net zero emissions, improving health and resilience outcomes for households and businesses.

CEFC property investments often include a focus on 'demonstration' projects, with the ability to deliver best-in-class performance on energy efficiency and the integration of renewable energy into new and existing buildings. From hospitals and healthcare facilities, to shopping centres, hotels, master-planned residential communities and commercial-scale precincts, the CEFC invests to reduce emissions across Australia's built environment. 🏡