

## **MEDIA RELEASE**

### **Local Government Super transforms 19 year old commercial property**

*B Grade building now the most energy efficient building in Sydney CBD*

**SYDNEY, May 5, 2011** – Local Government Super (LGS) has announced one of its recently upgraded commercial properties is now the leading energy efficient building in Sydney's CBD.

The 10 storey building at 120 Sussex St, which undertook an upgrade in 2010, recently obtained a National Australian Built Environment Rating System (NABERS) Base Building Energy Certificate of 5 stars, the highest available.

120 Sussex St is one of only seven buildings in Sydney CBD to achieve a 5 Star NABERS rating

This certificate revealed the building, which was constructed in 1992, now has the lowest energy intensity of any commercial office in Sydney's CBD at 274 Mega Joules per square metre per annum.

With rising energy costs Peter Lambert, CEO of Local Government Super believes investing in building upgrades is a smart strategy.

"We are modernising our portfolio and delivering benefits for all stakeholders, including improving returns for our most important stakeholders, our members. The very encouraging part of our portfolio upgrade is that we have found that Australian technologies are the leading sustainable technologies in cost, quality and environmental delivery," said Mr Lambert.

The upgrade works to 120 Sussex St were delivered for \$160psm which is well under property industry expectations of approximately \$765 psm<sup>1</sup>. The works were assisted by an AusIndustry Green Building Fund grant making the final cost to LGS only \$80psm.

"Importantly, the works were undertaken with the building fully occupied and without disturbance to the tenants. The added bonus of continuity of cashflow was integral to our payback analysis," said Brian Churchill, Property Portfolio Manager for LGS

The upgrade utilised the Shaw Method of Air Conditioning and Envirolite E1 Lighting as the main delivery technologies to bring this building to be the leading model of energy efficiency in Sydney CBD. Energy performance is currently tracking at 51% reduction in energy use.

Roger Walker, director of Walker EcoStrategies and sustainability advisor to LGS, stated; "The building HVAC control enables management of humidity and temperature, bringing the building into a new generation of leading Indoor Environment Quality buildings. This system not only reduces energy use but provides new metrics for delivering occupant comfort."

LGS obtains 100% of its base building power from renewable sources for its whole portfolio, however this was not taken into account in achieving this 5 Star rating.

More information on LGS' sustainable practices and investments can be found on the Fund's recently relaunched website (see [www.lgsuper.com.au/investments/sustainability/sustainability.asp](http://www.lgsuper.com.au/investments/sustainability/sustainability.asp)).

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<sup>1</sup> PCA/Arup Existing Buildings Survival Strategies II – 2009

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## NOTES TO THE EDITOR

### **About Local Government Super:**

Local Government Super (LGS) is recognised as an industry leader in responsible investment and the management of environmental, social and governance (ESG) risks and opportunities across its investment portfolio.

LGS manages almost \$6 billion in superannuation assets for more than 100,000 members, including 60,000 employees working for local government or related employers throughout NSW and 40,000 former local government employees. It has approximately \$3.1bn invested in responsible investment strategies across Australian shares, international shares, property, and the absolute return and private equity asset classes.

LGS is a signatory to the United Nations Principles of Responsible Investment and a member of the Investor Group on Climate Change, Australian Council of Superannuation Investors, the Responsible Investment Association of Australasia and the Global Real Estate Sustainability Benchmark. LGS is also a shareholder in Australian ESG research and engagement firm Regnan.