Green Lease Schedule

Schedule C2

For use in a gross lease entered into for 4 or more years where the premises are 1,000 square metres or more of net lettable area and the tenant occupies 49% or less of the net lettable area of the building.

Version 2.0

**Note on use of Green Lease Schedule**

This Green Lease Schedule is a general template for use in lease transactions involving Australian Government entities. It does not replace the need to:

* fully consider the implications of the base lease clauses and the Green Lease Schedule; and
* check the interaction of the base lease with the Green Lease Schedule to ensure consistency and compatibility, and to give efficacy to the particular circumstances and requirements of individual transactions.

More information regarding the Green Lease Schedule can be found at: <https://www.finance.gov.au/government/climate-action-government-operations/aps-net-zero-emissions-2030>

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Green Lease Schedule Guidance Notes 2025

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Part 1 - Green Lease Schedule

This Green Lease Schedule applies where the Rent is gross, the term is 4 or more years, the net lettable area of the Premises is 1,000 square metres or more, and the Tenant occupies 49% or less of the net lettable area of the Building.

1. Introduction
   1. Context
      1. Background
   2. This Green Lease Schedule is incorporated into and forms part of the Lease.
   3. This Green Lease Schedule reflects the Parties’ desire to improve and be accountable for energy efficiency in the Premises and the Building wherever possible.
   4. Version 1 of the Green Lease Schedule was initially created under the Energy Efficiency in Government Operations Policy. Version 2 of the Green Lease Schedule is now part of the wider policy of the Australian Government reflected in the Net Zero in Government Operations Strategy which supersedes the Energy Efficiency in Government Operations Policy.
   5. The Net Zero in Government Operations Strategy describes the Australian Government’s commitment to achieve net zero in government operations by 2030. This target was included in Australia’s [Nationally Determined Contribution Communication 2022](https://unfccc.int/sites/default/files/NDC/2022-06/NDC%202022%20Update%20Letter%20to%20UNFCCC.pdf) under the Paris Agreement. Actions by relevant entities under the Net Zero in Government Operations Strategy will inform parts of their climate disclosures under the Commonwealth Climate Disclosure initiative. These include emissions reduction plans and progress towards reaching emissions targets.
   6. As part of the Parties’ commitment to improve energy efficiency, the Parties wish to promote the reduction of greenhouse gas emissions and ensure the environmental sustainability of the Premises and the Building by implementing the measures in this Green Lease Schedule.
   7. The Parties have agreed that they will act in good faith and take a co-operative attitude to issues and initiatives arising under the Green Lease Schedule.
   8. Interpretation and Operational Provisions
      1. In this Green Lease Schedule unless the contrary intention appears:

|  |  |
| --- | --- |
| Accredited Assessor | means an Accredited Assessor under NABERS who is independent of both Parties. |
| Accredited Rating Certificate | means a certificate issued by the NABERS National Administrator evidencing a NABERS Energy Rating. |
| Adjusted NABERS Energy Rating | means a NABERS Energy Rating determined by the Expert in accordance with clause 8.2.2 and being an adjustment to the Target NABERS Energy Rating. |
| Australian Government Operations Energy Efficiency Policy | means the policy entitled “Net Zero in Government Operations Strategy” as amended from time to time and which supersedes the policy entitled “Energy Efficiency in Government Operations”. |
| Building | means the building in which the Premises are located as described in the Lease and includes the Premises. |
| Commencement Date | means the commencement date of the Lease. |
| Common Areas | has the same meaning as set out in the Lease. |
| Energy Intensity | means megajoules of energy consumed per square metre of the net lettable area of the Building or the Premises (as the case may be). |
| Energy Intensity Improvements | means any act, matter or thing which has the effect of reducing Energy Intensity (as expressed in megajoules). |
| Energy Management Plan | means the plan developed and implemented under clause 5 of this Green Lease Schedule. |
| Energy Management Plan Template | means the document entitled “Energy Management Plan: Template for use with Green Lease Schedules A2, B2 and C2 for net leases entered into for 4 or more years where the premises are 1,000m2 or more of net lettable area” as amended from time to time. |
| Expert | means an independent third party who is a qualified practising professional and appropriate industry expert appointed at the request of either Party in accordance with this Green Lease Schedule by:   * + - 1. the chairperson for the time being of the Resolution Institute ABN 69 008 651 232 in the State or Territory in which the Building is located; or       2. if there is no such body in existence at the time of the request, the chairperson for the time being of an equivalent body. |
| Green Lease Schedule | means this Schedule and includes any attachments to this Green Lease Schedule. |
| Improved NABERS Energy Rating | means a tenancy NABERS Energy Rating which is the same or higher than the Target NABERS Energy Rating. |
| Landlord | means the Party described as Landlord or Lessor or other equivalent word under the Lease. |
| Lease | means the lease for the Premises made between the Parties. |
| Metro City | means an area included in the Major Cities of Australia class in the Australian Statistical Geography Standard Edition 3 Remoteness Structure published by the Australian Bureau of Statistics (**Remoteness Structure**) and, in the event of the Remoteness Structure being discontinued or abolished, such geographical remoteness structure as the Australian Statistician substitutes for it.  ^User note: Whether or not a building and tenancy is within a Metro City for the purposes of this GLS is determined at the commencement of the Lease, and this initial classification will remain for the entire term of the Lease despite any future changes to the Remoteness Structure that impact the areas included in the Major Cities of Australia class.^ |
| Month | means calendar month. |
| NABERS | means the National Australian Built Environment Rating System (including any system or scheme updating or replacing it from time to time), administered by the Department of Climate Change, Energy, the Environment and Water, acting for and on behalf of the Crown in right of the State of New South Wales (or by any successor or other body administering NABERS from time to time). |
| NABERS Energy Rating | means a rating relating to energy for offices certified by an Accredited Assessor. |
| NABERS National Administrator | means the national administrator from time to time under NABERS. |
| Notice | includes a notice, consent, request or demand. |
| Outgoings | means all those costs, charges or expenses payable as outgoings under the Lease. |
| Outgoings Provisions | means the terms and conditions of the Lease requiring the Tenant to pay or reimburse the Landlord in respect of the Outgoings. |
| Parties | means the parties to the Lease. |
| Premises | means the premises leased to the Tenant under the Lease and as described in the Lease. |
| Refurbishment | means any refurbishment, renovation, fit-out or restoration involving any replacement, upgrade or repair of a material nature which involves the base building services and which affects the base building services in or servicing 50% or more of:   * + - 1. the net lettable area of the Premises;       2. the net lettable area of the Building; or       3. the Common Areas.   ^User note: for the purposes of this Green Lease Schedule this definition applies to office space only (not the Building/Common Areas)^ |
| Remedial Notice | means a Notice given under clause 8 by a Party where the other Party has breached an obligation under the Green Lease Schedule. |
| Remedial Plan | means a plan agreed or determined under clause 8. |
| Rent | means the net rent payable by the Tenant under the Lease but does not include any Outgoings for which the Tenant is responsible under the Lease. |
| Requirement | means the common law, all statutes, ordinances and by-laws and any requirement, Notice, order or direction of a competent authority. |
| Target NABERS Energy Rating | means:   * + - 1. for tenancies within a Metro City – a 5.5 star or higher tenancy NABERS Energy Rating; or       2. for tenancies outside a Metro City – a 4.5 star or higher tenancy NABERS Energy Rating,   certified by an Accredited Assessor.  ^User note: In accordance with the Net Zero in Government Operations Strategy, for tenancies outside a Metro City agencies must ensure that a provision is included in the Lease which requires the achievement of a 5.5 star tenancy NABERS Energy Rating 2 years after the Commencement Date.^ |
| Tenant | means the Party described as Tenant or Lessee or other equivalent word under the Lease. |
| Working Day | means each day other than a Saturday, Sunday, or public holiday in the State or Territory in which the Premises are located. |

* + 1. The singular includes the plural and vice versa.
    2. Unless otherwise provided references to clauses are a reference to clauses of this Green Lease Schedule.
    3. Unless otherwise defined or provided for in this Green Lease Schedule, words and phrases used in this Green Lease Schedule will have the meaning ascribed to them in the Lease.
    4. Unless the context otherwise requires, the phrase “Lease term” or “term of the Lease” will be interpreted to include any renewal or extension of or overholding under the Lease.
    5. Reference to a right includes a remedy, authority or power.
    6. Headings are for convenience only and do not form part of this Green Lease Schedule or affect its interpretation.
    7. As far as possible all provisions must be construed so as not to be invalid, illegal or unenforceable.
    8. If anything in this Green Lease Schedule is unenforceable, illegal or void then it is severed and the rest of this Green Lease Schedule remains in force.
    9. If a provision cannot be read down, that provision will be void and severable.
    10. Words of inclusion are not words of limitation.
    11. No rule of construction will apply to disadvantage a Party on the basis that it put forward this Green Lease Schedule.
    12. Reference to a thing is a reference to all or part of that thing.
    13. Unless the context requires or is otherwise stated in this Green Lease Schedule, a Party’s obligations under this Green Lease Schedule:
        1. will be performed at its cost;
        2. will be performed throughout the term of the Lease;
        3. where the cost is incurred by the Landlord, must not be passed on directly or indirectly to the Tenant including by way of reliance on the Outgoings Provisions; and
        4. where the cost is incurred by the Tenant, must not be passed on directly or indirectly to the Landlord.
    14. Unless otherwise stated, if a Party’s consent or approval is required under this Green Lease Schedule:
        1. the requested Party will consider and respond to the request promptly;
        2. the consent or approval will not be unreasonably withheld;
        3. the requested Party may require the requesting Party to comply with reasonable conditions before giving its consent provided that:
           1. the requested Party is not entitled to require the requesting Party to pay its costs in connection with the request;
           2. if the requested Party is the Landlord, it will not pass on any cost incurred in connection with the request or consent directly or indirectly to the Tenant including by way of reliance upon the Outgoings Provisions;
           3. if the requested Party is the Tenant, it will not pass on any cost incurred in connection with the request or consent directly or indirectly to the Landlord; and
           4. all reasonable conditions accompanying or otherwise related to the consent or approval must be in writing; and
        4. the consent or approval is not effective unless in writing.
    15. If any conflict arises between the terms and conditions contained in the Lease and any clauses or parts of the clauses of the Green Lease Schedule, then unless the terms and conditions contained in the Lease expressly provide that they prevail over the Green Lease Schedule, the clauses (or the relevant parts of the clauses) of the Green Lease Schedule prevail to the extent necessary to resolve the conflict.
    16. If any conflict arises between any part of the Green Lease Schedule and any part of an attachment to it, the part of the Green Lease Schedule which does not comprise an attachment prevails.
    17. A reference to the Green Lease Schedule or any provision of it includes the Green Lease Schedule or any of its provisions as amended or replaced from time to time by agreement in writing between the Parties.

1. Green Lease Schedule Forms Part of Lease
   1. Green Lease Schedule Incorporated into Lease
      1. This Green Lease Schedule is incorporated into and forms part of the Lease.

# Part 2 – Green Lease Performance

1. National Australian Built Environment Rating System
   1. NABERS Rating
      1. The Parties agree that:
         1. the Landlord will ensure that at all times from the Commencement Date and for the term of the Lease the base building central services are of a standard:
            1. which will enable the Tenant to achieve the Target NABERS Energy Rating within 3 months of the first anniversary of the Commencement Date; and
            2. are maintained, serviced and upgraded to enable the Tenant to maintain the Target NABERS Energy Rating from 3 months after the first anniversary of the Commencement Date and for the remaining term of the Lease; and
         2. the Landlord will not do or omit to do, or allow any other person within its control (including other tenants or licensees in the Building) to do or omit to do anything which would cause the Target NABERS Energy Rating not to be achieved and maintained for the term of the Lease; and
         3. subject to the Landlord complying with its obligations under the Lease (including this Green Lease Schedule) and to the Tenant’s obligations and rights under the Lease (including this Green Lease Schedule), the Tenant will endeavour to achieve and maintain the Target NABERS Energy Rating within 3 months of the first anniversary of the Commencement Date.
   2. Improved NABERS Energy Rating
      1. The Parties agree that:
         1. not later than 3 months after each anniversary of the Commencement Date; and
         2. on any Refurbishment occurring during the term of the Lease,

the Parties will meet and will consider in a reasonable and cooperative manner whether an Improved NABERS Energy Rating can be achieved which is consistent with the Net Zero in Government Operations Strategy targets for new leases and Refurbishments applicable at that time.

* + 1. If the Parties agree under clause 3.2 that an Improved NABERS Energy Rating is to be achieved, the Parties will use their best endeavours to take the relevant steps within their respective areas of responsibility to ensure that the Premises satisfies the Improved NABERS Energy Rating requirements, and that a new Accredited Rating Certificate evidencing the Improved NABERS Energy Rating is issued.
    2. The Improved NABERS Energy Rating will apply from the date agreed by the Parties in writing.
    3. On and from the date referred to in clause 3.2.3:
       1. the Improved NABERS Energy Rating will be treated as the Target NABERS Energy Rating; and
       2. this Green Lease Schedule will be deemed to be varied to reflect the Improved NABERS Energy Rating.

1. Energy Intensity Provisions
   1. Improvements and Maintenance
      1. For the purposes of this clause:
         1. **Responsible** **Party** means the Party who is obliged under the Lease to operate, repair and maintain the Building services or any part of them; and
         2. the obligations of the Responsible Party under this clause will apply only to the extent that it is obliged under the Lease to operate, repair and maintain the Building Services or any part of them, and only in respect of those services.
      2. The Responsible Party will ensure that all maintenance contracts for the Building services include:
         1. requirements that the Building services must perform in a way which will not hinder the Target NABERS Energy Rating from being achieved and maintained;
         2. reasonable obligations and warranties by the contractor and supplier which support the Responsible Party’s obligations and which do not have the effect of hindering the ability of the Tenant to maintain the Target NABERS Energy Rating;
         3. a requirement that maintenance contractors at all times maintain and provide to the Responsible Party manuals and other information relevant to the maintenance and performance of the Building services; and
         4. a requirement that on any change of contractor the outgoing contractor must assign to the Responsible Party all warranties (which have not already been assigned to the Responsible Party) relating to the Building services and provide all manuals and other information relevant to the maintenance and performance of the Building services to the incoming contractor and the Responsible Party.
      3. If at the Commencement Date the Responsible Party demonstrates to the other Party:
         1. that it already has in place maintenance contracts which do not comply with clause 4.1.2 (**Non-Compliant Contracts**); and
         2. that it is not feasible for it to amend the Non-Compliant Contracts so that they comply with clause 4.1.2 (taking into account the remainder of the term of the relevant Non-Compliant Contracts and the costs associated with seeking to amend them),

then the Responsible Party is relieved of its obligations under clause 4.1.2 (but only to the extent that the Non-Compliant Contracts do not comply). Once the Non-Compliant Contracts have expired, the Responsible Party will ensure that any new maintenance contract or any extension or renewal of the Non-Compliant Contracts complies with clause 4.1.2.

* + 1. The Responsible Party:
       1. within 3 months after each anniversary of the Commencement Date; and
       2. at other times within 10 Working Days of a request by the requesting Party,

will produce to the requesting Party copies of all maintenance contracts in place for the Building services including evidence of compliance with clause 4.1.2. In the case of the Tenant, nothing in this clause requires the Tenant to disclose information which is confidential or which is not to be disclosed because of a Requirement, Commonwealth policy or Commonwealth direction (including the direction of a Minister or any officer or employee with appropriate authority of a relevant Commonwealth department, entity, corporation, or other Commonwealth body).

* + 1. The Parties will not pass on to each other any costs (directly or indirectly) incurred by them in performance of this clause 4 and if the Responsible Party is the Landlord including by way of reliance on the Outgoings Provisions.
  1. Energy Data Reports
     1. By the 10th Working Day after the end of each quarter occurring during the term of the Lease, the Landlord will provide to the Tenant quarterly energy data information (which shows consumption data and cost) for the base Building and Common Areas.
     2. By the tenth Working Day after the end of each quarter occurring during the term of the Lease, the Tenant will provide to the Landlord quarterly energy data information (which shows consumption data and cost) for the Premises.
     3. The energy data information required by this clause will be in a form agreed by the Parties and if the Parties do not agree then the form will be determined by an Expert appointed under clause 9.
  2. Access to Information
     1. The Parties agree that it is essential to maintain all information, including energy data for the Premises and Building (which for the avoidance of doubt includes base building central services), plans, documents, maintenance contracts, specifications, maintenance reports and maintenance schedules necessary to:
        1. enable an Accredited Assessor to assess, report on and authorise the issuing of an Accredited Rating Certificate for the Target NABERS Energy Rating;
        2. as far as reasonably practicable, enable an Expert appointed under clause 9 of this Green Lease Schedule to carry out any and all of their functions and obligations in accordance with the terms of this Green Lease Schedule; and
        3. establish the extent of compliance by the Landlord and the Tenant with their respective obligations under this Green Lease Schedule.
     2. The Parties:
        1. will take all necessary steps to ensure the security and confidentiality of the reports and information held in accordance with clause 4.3.1;
        2. will keep those reports and information confidential except to the extent necessary:
           1. to comply with a Requirement, Commonwealth policy or Commonwealth direction (including the direction of a Minister or any officer or employee with appropriate authority of a relevant Commonwealth department, entity, corporation, or other Commonwealth body);
           2. to enable the Parties to perform their roles and obligations under the Lease; or
           3. to enable an Expert to exercise their powers and perform their role and obligations under this Green Lease Schedule; and
        3. will provide to each other unfettered access to the information required by clause 4.3.1 which they hold or should hold according to their respective roles and responsibilities under the Lease (including this Green Lease Schedule) to the extent that it is practicable to do so.
     3. For the avoidance of doubt, nothing in this clause 4.3 requires the Parties to disclose information which would otherwise be confidential. In the case of the Tenant, nothing in this clause 4.3 requires the Tenant to disclose information which is not to be disclosed because of a Requirement, Commonwealth policy or Commonwealth direction (including the direction of a Minister or any officer or employee with appropriate authority of a relevant Commonwealth department, entity, corporation, or other Commonwealth body).

1. Energy Management Plan
   1. Energy Management Plan Development and Implementation
      1. Without limiting any other obligation of the Parties, the following provisions apply to the development and implementation of an Energy Management Plan.
      2. Within 3 months of the Commencement Date, the Parties will use their best endeavours to agree on and sign an Energy Management Plan which will support the achievement of the requirements and objectives of the Net Zero in Government Operations Strategy and this Green Lease Schedule.
      3. The Energy Management Plan Template is the default Energy Management Plan document. The Parties may agree to use an alternative format provided it achieves the purpose of and follows the principles set down in the Energy Management Plan Template. The Energy Management Plan will be consistent with the terms and conditions of this Green Lease Schedule and as a minimum will include:
         1. the strategies to be employed by the Landlord in enabling the Tenant to achieve and maintain the Target NABERS Energy Rating through the term of the Lease;
         2. the strategies for maintaining and upgrading the Building (including services, systems, plant and equipment) so as to effectively manage the Energy Intensity of the Building and achieve Energy Intensity Improvements in the Building; and
         3. the strategies to be employed by the Tenant in managing its energy consumption in the Premises at a level which maintains the Target NABERS Energy Rating through the term of the Lease.
      4. The Parties acknowledge that the Energy Management Plan is an important tool for achieving the objectives of this Green Lease Schedule and to this end the Parties will use their best endeavours to agree the Energy Management Plan. If the Parties are unable to agree on all or any components of the Energy Management Plan in time for it to be signed within 3 months of the Commencement Date, they agree that either or both may refer the issue (or the entire Energy Management Plan if the Parties have not agreed any of it) for determination under clause 9.
      5. Subject to clause 5.1.7, the Energy Management Plan applies from the date it is signed by the Parties.
      6. The Parties will not unreasonably delay the signing of the Energy Management Plan. If any component of the Energy Management Plan has not been agreed or has been referred for determination under clause 9 and the issue has not been agreed or determined within 3 months of the Commencement Date, the Parties agree to sign the Energy Management Plan so that it contains the agreed components and to vary it in writing once any outstanding component has been agreed or determined.
      7. The Energy Management Plan Template appears at Annexure A and if the Energy Management Plan is not agreed or not referred and determined under clause 9, the Energy Management Plan Template will be treated as the agreed Energy Management Plan with effect from the date which is 3 months after the Commencement Date until the Parties agree on an alternative Energy Management Plan or until an alternative Energy Management Plan or a variation to the Energy Management Plan Template is determined by the Expert under clause 9.
      8. The Parties will bear their own costs in connection with the cost of producing, reviewing and implementing the Energy Management Plan and their respective obligations under the Energy Management Plan. The Parties will not pass on to each other their costs directly or indirectly including, in the case of the Landlord, by way of reliance on the Outgoings Provisions.
      9. The Parties will review the Energy Management Plan from time to time but not less than once every 2 years.
      10. The Parties will comply with their respective obligations under the Energy Management Plan. The Landlord will not pass on its costs of compliance with the Energy Management Plan either directly or indirectly to the Tenant including by way of reliance on the Outgoings Provisions.
      11. Each Party will monitor its performance of the Energy Management Plan and within 3 months of each anniversary of the Commencement Date will report to the other Party on its performance against the Energy Management Plan.
2. Metering
   1. Separate Metering
      1. The Landlord:
3. will ensure that from the Commencement Date the Premises are separately metered for electricity (with the meters being digital electricity meters), gas, and water services (both hot and cold);
4. will ensure that the meters have an accuracy class suitable for customer billing and the meter register is readily accessible for billing;
5. agrees that if the Tenant requires, management of the meters will reside with the Tenant on installation;
6. agrees that the Tenant is entitled to purchase its own electricity; and
7. will not unreasonably withhold any approvals required for the Tenant to install behind-the-meter renewable energy solutions to generate renewable electricity on-site.
   * 1. The Landlord will ensure that from the Commencement Date there is separate metering for electricity (with the meters being digital meters), gas, and water services (both hot and cold) for the central services in the Building including Common Areas.
     2. The Landlord will not pass on any costs incurred under this clause 6 to the Tenant directly or indirectly including by way of reliance on the Outgoings Provisions.

# Part 3 – General Provisions Applicable To Green Lease Schedule

1. Reporting
   1. Reporting
      1. All reports provided in accordance with the provisions of this Green Lease Schedule will include the following information as a minimum:
         1. a reasonably detailed assessment or description of the progress and performance of the Party or Parties (as applicable) against the relevant target, strategy or plan arising from the obligations under this Green Lease Schedule;
         2. how the progress and performance was monitored over the relevant reporting period;
         3. if progress or performance has not met the target, strategy or plan (or it appears that the annual target, strategy or plan will not be met), reasons for this failure, and detailed explanation of how this will be rectified and progress and performance improved;
         4. measures to be taken during the next reporting period to ensure targets, strategies and plans are achieved;
         5. if the target, strategy or plan is due to be revised a suggested new target, strategy or plan that where feasible and practicable improves on the previous target, strategy or plan, if possible drawing on experience detailed in the report and previous reports;
         6. any cost savings that have been achieved for that reporting period; and
         7. any other information relevant to the Parties’ performance against the target, strategy or plan.
      2. All reports will be written reports and a copy will be provided to:
         1. the Landlord (where the report is prepared by or for the Tenant); and
         2. the Tenant (where the report is prepared by or for the Landlord).
      3. The costs of preparing the reports will be borne by the Party responsible under this Green Lease Schedule for preparing them and will not be passed on to the other Party directly or indirectly, including, if that Party is the Landlord, by way of reliance on the Outgoings Provisions.
2. Remediation
   1. Remedial Action
      1. If:
3. a Party has breached an obligation under this Green Lease Schedule; or
4. a Party repeatedly breaches its obligations under this Green Lease Schedule,

the other Party (**Initiator**) may give the defaulting Party (**Recipient**) a Remedial Notice. The Remedial Notice will request the commencement of dialogue or remedial action.

* + 1. The Parties will meet within 15 Working Days of the date of the Remedial Notice and will use their best endeavours to agree a Remedial Plan which:
       1. sets out remedial action; and
       2. contains a timetable for completion of the remedial action.
    2. If the Parties fail to meet within 15 Working Days or fail to agree on a Remedial Plan, then subject to clause 8.3.2.a, the Remedial Plan (or any parts of it which have not been agreed by the Parties) will be determined by an Expert in accordance with clause 9 on the application of either Party.
  1. Adjusted NABERS Energy Rating
     1. If a Party reasonably believes that the Target NABERS Energy Rating cannot be achieved (taking into account the matters in clause 8.2.2.a to clause 8.2.2.d) and that it should be reviewed then it may give written notice to the other Party specifying the reasons why the Target NABERS Energy Rating cannot be achieved and requesting an Adjusted NABERS Energy Rating. Once this notice is given, the request for an Adjusted NABERS Energy Rating must be referred by either or both Parties for determination by an Expert appointed under clause 9. The Expert must take into account the matters in clause 8.2.2.a to clause 8.2.2.d in making their determination.
     2. If in considering a Remedial Plan or a referral under clause 8.2.1 the Expert determines that:
        1. the Parties have taken all proper measures to enable the Target NABERS Energy Rating to be achieved;
        2. the Landlord or the Tenant, or both as the case may be, has or have exhausted all reasonable avenues for Remedial Action in accordance with clause 8 of this Green Lease Schedule;
        3. the Landlord or the Tenant, or both as the case may be, has or have used best endeavours to comply with their respective obligations under the Lease (including all obligations under this Green Lease Schedule) which may in any way impact on or be relevant to the achievement of the Target NABERS Energy Rating; and
        4. the inability to achieve the Target NABERS Energy Rating is not due to any misrepresentation regarding the condition or capacity or the Building, the base building services or the Premises or deterioration in or failure of relevant parts of the Building, the base building services or the Premises or to activities in the Building or the Premises,

then the Expert may make a determination that there will be an Adjusted NABERS Energy Rating for the Target NABERS Energy Rating provided that the Adjusted NABERS Energy Rating must be not less than a 4 star tenancy NABERS Energy Rating.

* + 1. On and from the date of the determination by the Expert under clause 8.2.2, the Adjusted NABERS Energy Rating will become the Target NABERS Energy Rating under this Green Lease Schedule for such time as the Expert may determine and this Green Lease Schedule will be deemed to be varied to reflect the Adjusted NABERS Energy Rating during the relevant period.
    2. At any time which is no less than 12 months after an Expert has made a determination and issued an Adjusted NABERS Energy Rating, either Party may seek to have the original Target NABERS Energy Rating reinstated by requesting an Improved NABERS Energy Rating. A Party will act reasonably in making a request for an Improved NABERS Energy Rating. If a request is made the Parties will meet within 15 Working Days of the request and will consider in a reasonable and cooperative manner whether an Improved NABERS Energy Rating can be achieved.
    3. If the Parties cannot agree whether an Improved NABERS Energy Rating can be achieved or if the Parties fail to meet within the time specified in clause 8.2.4 then either Party may apply to have the issue determined by an Expert in accordance with the procedure set out at clause 9 of this Green Lease Schedule.
    4. If the Parties agree under clause 8.2.4 that an Improved NABERS Energy Rating is to be achieved or an Expert determines under clause 8.2.5 that an Improved NABERS Energy Rating is to be achieved, the Parties will take the relevant steps within their respective areas of responsibility to ensure that the base building and/or the Premises satisfies the Improved NABERS Energy Rating requirements, and that a new Accredited Rating Certificate evidencing the Improved NABERS Energy Rating is issued.
    5. The Improved NABERS Energy Rating will apply from the date agreed by the Parties in writing or, where it has been determined by the Expert, from the date determined by the Expert.
    6. On and from the date referred to in clause 8.2.7 the Improved NABERS Energy Rating will be treated as the Target NABERS Energy Rating and this Green Lease Schedule will be deemed to be varied to reflect the Improved NABERS Energy Rating.
  1. Compliance with Remedial Plan
     1. The Parties will comply with the Remedial Plan.
     2. If the Recipient does not comply with a Remedial Notice under clause 8.1.1 or with clause 8.3.1 the Initiator:
        1. may Notify the Recipient that it extends the period for remedial action; or
        2. may give Notice (**Enforcement Notice**) to the Recipient notifying it that the failure to comply with the Remedial Notice or the Remedial Plan is a breach of the Lease (including this Green Lease Schedule) and:
           1. if the breach is capable of rectification, that unless the breach is rectified within the period specified in the Enforcement Notice (which period will be reasonable in the circumstances), the Initiator will be entitled to rectify the breach and claim its reasonable costs of rectification; or
           2. if the breach is not capable of rectification, that the Initiator claims compensation for loss or damage incurred by the Initiator as a direct result of the breach (and the Enforcement Notice in this case will specify in reasonable detail how the amount claimed has been computed).
     3. If clause 8.3.2.b.i applies and the breach is not rectified in the time specified in the Enforcement Notice:
        1. the Initiator may rectify the breach;
        2. the Recipient will allow the Initiator or its contractors access to the relevant parts of the Building or Premises (subject to any prior notice requirements for access contained in the Lease) for the purpose of rectifying the breach; and
        3. the reasonable cost of rectification will be a cost due and payable by the Recipient to the Initiator following written demand from the Initiator specifying the amount claimed and reasonable detail on how the amount claimed has been computed.
     4. Despite the Initiator’s right to rectify the Recipient’s breach under clause 8.3.3, if:
        1. the Initiator is hindered in doing so by the Recipient or any other person; or
        2. the Initiator decides that it is not practicable for it to rectify the Recipient’s breach,

the Initiator may demand compensation for loss or damage incurred by the Initiator as a direct result of the breach (including the cost of any reasonable endeavours in seeking to rectify the breach). A claim for compensation under this clause will specify in reasonable detail how the amount claimed has been computed.

* + 1. If:
       1. an amount is claimed in the Enforcement Notice by the Initiator under clause 8.3.2.b.ii; and
       2. the Recipient has not objected in writing to the amount claimed within 10 Working Days after the Enforcement Notice,

the Recipient will pay the amount claimed in the Enforcement Notice within 40 Working Days after the Enforcement Notice. If the Initiator is the Tenant and the amount is not paid by the Landlord within 40 Working Days after the Enforcement Notice, the Tenant, without prejudice to any other rights and remedies, may set off the amount against payments due under the Lease until the debt has been satisfied in full.

* + 1. If:
       1. an amount is demanded under clause 8.3.3.c or clause 8.3.4; and
       2. the Recipient has not objected in writing to the amount claimed within 10 Working Days after Notice of demand,

the Recipient will pay the amount claimed within 40 Working Days after Notice of demand. If the Initiator is the Tenant and the amount is not paid by the Landlord within 40 Working Days after Notice of demand, the Tenant, without prejudice to any other rights and remedies, may set off the amount against payments due under the Lease until the debt has been satisfied in full.

* + 1. If the Recipient objects to an amount claimed by the Initiator under clause 8.3.2.b.ii, clause 8.3.3.c, or clause 8.3.4 within the prescribed time, then the dispute will be referred for resolution under clause 9 and any amount determined by the Expert will be paid within 40 Working Days of the Expert’s determination. If the amount determined is payable by the Landlord and is not paid within 40 Working Days of the Expert’s determination, the Tenant, without prejudice to any other rights and remedies, may set off the amount against payments due under the Lease until the debt has been satisfied in full.
    2. If:
       1. an amount is payable and has not been paid by the time required by clause 8.3.5 or clause 8.3.6; or
       2. an amount payable has been referred for resolution in accordance with clause 8.3.7 and has not been paid by the time required by clause 8.3.7,

then the Party to whom the amount is due may institute proceedings in a court of competent jurisdiction to recover the amount. This clause 8.3.8 does not limit the Tenant’s rights of set off under clause 8.3.5, clause 8.3.6 and clause 8.3.7.

* + 1. The rights in clause 8 are in lieu of any of the rights which the Parties may have under the Lease for breach of this Green Lease Schedule. Except for any remedies contained in this clause 8 or elsewhere in this Green Lease Schedule, the Parties will not rely on any other remedies available under the Lease or otherwise for breach of this Green Lease Schedule.

1. Resolution Of Green Lease Schedule Disputes
   1. Dispute Resolution
      1. Any difference or dispute between the Parties arising under the provisions of this Green Lease Schedule which is not resolved within 10 Working Days after Notice by one Party to the other of the nature of the difference or dispute may be referred by either Party for determination by an Expert with the relevant expertise in the subject matter of the difference or dispute.
      2. The Expert will be appointed at the request of either Party, and production of this clause will be sufficient evidence of the right to make the request. The requesting Party will ask for the Expert to be appointed within 10 Working Days of the request.
      3. Each Party may make a submission either orally or in writing to the Expert within 10 Working Days after that appointment.
      4. In making a determination the Expert will:
         1. act as an expert and not as an arbitrator;
         2. consider any submission made to it by a Party;
         3. deliver their determination within 10 Working Days after the last day on which the Parties are entitled to make submissions; and
         4. provide the Parties with a written statement of reasons for the determination.
      5. The determination of the Expert is conclusive and binding on the Parties.
      6. The costs of the Expert will be shared equally between the Parties.
      7. If the Expert fails to deliver a determination within 10 Working Days after the last day on which the Parties are entitled to make submissions, either Party may request the appointment of a further Expert under clause 9.1.1 and clause 9.1.2 to determine the dispute.
2. Notices
   1. Notices
      1. A Notice under this Green Lease Schedule is only effective if it is in writing, and dealt with as follows:
         1. *if given by the Tenant to the Landlord* – given by the Tenant and addressed to the Landlord at the address or email address specified in Item 1 of the Lease or as otherwise notified by the Landlord; or
         2. *if given by the Landlord to the Tenant* – given by the Landlord and addressed to the Tenant at the address or email address specified in Item 2 of the Lease or as otherwise notified by the Tenant.
      2. A Notice is to be:
         1. signed by the person giving the Notice and delivered by hand;
         2. signed by the person giving the Notice and sent by prepaid post; or
         3. sent by email.
      3. A Notice is deemed to be effected:
         1. *if delivered by hand* – upon delivery to the relevant address;
         2. *if sent by prepaid post* – on the day which is 3 Working Days after posting; and
         3. *if transmitted by email* – on the day of sending.
      4. A Notice received after 5:00pm, or on a day that is not a Working Day in the place of receipt, is deemed to be effected on the next Working Day in that place.

# Annexure A - Energy Management Plan

# Annexure B - Optional Clauses