Green Star Buildings v1.0 and the Industrial Sector

From Sustainability Initiative to Commercial Imperative

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Introduction

Industrial property has historically been driven by efficiency, throughput, and cost. Sustainability was often viewed as secondary—valuable, but not essential. That paradigm has now shifted decisively.

Green Star Buildings v1.0 is no longer a differentiator in industrial assets. It is rapidly becoming a baseline expectation.

At Reid Campbell, we see this transition not as an environmental exercise, but as a strategic repositioning of industrial real estate towards long-term commercial performance, tenant relevance, and capital resilience.

NCC 2025 Regulatory Minimums

Moving Toward Green Star Performance

The National Construction Code establishes minimum building performance requirements, but those minimums are tightening significantly. The release of NCC 2025 to introduces stricter energy efficiency targets and lower emissions performance thresholds for commercial buildings

Tenant Expectations:

The Rise of the 5-Star Mimium

Major occupiers—particularly global logistics, advanced manufacturing, and institutional-grade tenants—are now embedding sustainability into core leasing requirements.

Green Star certification, especially at 5 Star level, has emerged as the most widely recognised benchmark for sustainable building performance across Australasia

Source: Australoan Building Codes Board - NCC 2025 Preview (Secion J Energy Efficiency)

Portfolio Value
From Sustainability Feature to Core Asset Strategy

For institutional investors, Green Star certification has become a direct proxy for asset quality, liquidity, and resilience.

Green Star certified buildings demonstrate materially improved operational performance, including significantly lower emissions, electricity consumption, and water usage compared with average buildings.

This translates into measurable commercial outcomes:

1. Tenant retention and attraction
Higher-quality tenants increasingly require certified buildings.

2. Capital value and liquidity
Certified assets align with institutional acquisition criteria and global ESG mandates.

3. Reduced obsolescence risk
Green Star buildings are better positioned against tightening future regulation.

4. Operational cost advantage
Lower energy consumption improves net income performance.

Ultimately, sustainability certification is no longer a cost —it is an asset optimisation strategy.

Industrial Real Estate is Entering a New Performance Era

Industrial property is undergoing the same transformation that office assets experienced a decade ago. Sustainability certification has moved from leadership to expectation, and now towards baseline compliance.

Green Star Buildings v1.0 provides a structured, measurable framework to deliver industrial assets that are:

- More attractive to institutional tenants
- More resilient to regulatory change
- More valuable to capital markets
- More efficient across their lifecycle

At Reid Campbell, our focus is not on sustainability as an architectural gesture, but as a commercial strategy.

Because the industrial buildings that will outperform over the next decade will not be those that simply meet minimum requirements—but those designed to remain relevant long after completion.

About the Author

Andrew McDonald is an Associate Director at Reid Campbell based in Sydney, Australia. Over the past 10 years, Andrew has advised on and designed a number of large-scale projects in the industrial and transport infrastructure sectors that have been integral in shaping Australia's supply chain future.

Andrew's passion for the sector has led him to be at the forefront of research and trends with a focus on creating value for our clients.

REAL Intelligence.

About Reid Campbell

Reid Campbell is a leading consulting and design firm specialise in achieving transformative results. Through scenario modelling, we create optimal strategies for planning, effective building design, and assist our clients in maximising the value of their portfolios.

Our approach combines 50+ years of experience with Real Intelligence to ensure successful outcomes for our clients. We work in a wide variety of fields, such as commercial, industrial, residential, interior design and master planning.

STRATEGY
Understanding needs and defining pathways, we differentiate and create sustainable competitive advantage, driving success.

DESIGN
We achieve excellence by conceptualising, prototyping, and testing ideas; creating products, services and experiences that exceed our client's expectations.

DELIVERY
Execution with precision, attention to detail, and a relentless focus on achieving outstanding results – at the core of everything we do.

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