So hello everyone. Welcome to the ESG Mapping Briefing by
in Rev Ulimpiri. My name is Bahariai Chidik, I'm the
Professional Standards Manager at IN Rev. Today is a very
important day for us. We have been working on the
ESG mapping study for quite some time now and we
are very proud and very excited to launch the results
today.

And as we all know, environmental and social challenges present
arguably the greatest risks facing our societies globally. From climate change to biodiversity laws, from border scarcity to social inequalities in various forms, the scale of the challenge is huge.

As a real estate industry, we have important contribution to make in addressing these social and environmental challenges.

And over the past decades, we see that there's a growing importance of sustainability in the industry. The industry started to develop its own frameworks, standards and certifications alongside with the Universal Core ESG reporting standards. Now we see that regulations across different countries and regions have stepped up and more are expected to come soon. As a result, it has been.

Increasingly difficult to navigate the various mandatory regulations and voluntary standards in response to these challenges in ULI and PRI,
00:04:29 --> 00:04:34: in close collaboration with the Project Steering Committee and supported
00:04:35 --> 00:04:38: by PwC, we started this research project to map and compare the most important ESG related regulations, standards and certifications
00:04:45 --> 00:04:47: for the real estate industry.
00:04:48 --> 00:04:52: This new report offers guidance on how to potentially navigate
00:04:52 --> 00:04:55: within the ESG reporting landscape. We are very happy to launch the results today and I hope that you will also find this interesting and useful in your own ESG reporting journey. In today's agenda, we'll start with a presentation from PwC to provide the key highlights from the report, which will be followed by a panel discussion.
00:05:14 --> 00:05:19: Now for her presentation, let me hand over to Christian
00:05:19 --> 00:05:23: Conrad Christian is the director and global real estate ESG leader at PwC. Floor is yours, Christian. Thank you.
00:05:29 --> 00:05:33: Thank you, Baja. Hello everyone. Thank you very much for inviting us today. It has been a great honor and also great opportunity for us at Peter VSC to support the ULI PR and in Rep on this really exciting journey. And yeah, on the easy mapping exercise.
00:05:48 --> 00:05:51: as you said Baja, we spent quite some time of a very intense research and discussions and the test today is really special day and we are really excited to be able to share the the results with you today. As I said I'm the global real estate is to leader at PwC actually global interdisciplinary team consisting of consultants, lawyers, tax advisors, valuation experts and many more and our focus is to strategy development and implementation.
00:06:28 --> 00:06:31: And in the next couple of minutes, I would like to give you an overview on the report on the focus of our technical market research. Be great if you can jump to the slide with the agenda. Perfect. Thank you exactly. So in the report, we add basically 2 main focus areas. The first one is the technical research part. Where we identified actually 10 really key findings, I would like to present to you in the next couple of
minutes. And then we were really lucky to us to
conduct case studies or to support case studies by as
you actually the report comprises of five case studies, two
of which shows some great inhouse solution dealing with the
yeah evolving easy regulatory and yeah landscape here and.
The three other case studies focus on, yeah, other challenges
and really provide best practices in this, yeah, vast evolving
and broad area. And last but not least, I will
give you a quick overview on the on the table
actually which was the basis of the technical research exercise
which which was also being disclosed in in the report.
If you can go to the next slide, that would
be great. Yeah. The next one please. Exactly. So as,
yeah, as you heard before, this project was jointly managed
by the UI, the PRI and NRAF and it had
been really intense discussion, discussions about the methodology, the focus
and the target, the intention of the report.
The regional focus was actually a global one, so we
looked at the EU including UK Americas and in Asia
Pacific and Hong Kong, Singapore, Japan and Australia.
And mentioned before, so the, yeah, the technical research really
one, yeah, the main part of the report was intended
to compare the various frameworks and standards in relation to
the scope and their purposes and to, yeah, demonstrate that
methodology. And we really intended to look for duplications and
see where maybe where some potential tool to make our
tool easy reporting more.
Efficient and yeah, actually the intention was to provide transparency
and this all supported by the case studies which I
just mentioned. On the right hand side you see the
various frameworks and reporting standards and certification
which we've reviewed.
In the last couple of months or more years, and
as Baha mentioned, it has become increasingly difficult to navigate
the various mandatory regulations, but also the voluntary standards and
what we also learned in any interview, which we did,

that there is a.

Huge information requests around by investors and the various stakeholders

and it's really, really challenging for all the, yeah, asset managers, real estate companies to manage these requests and to provide meaningful information.

Can you please go to the next slide exactly. So looking at the technical report and the first five key findings which you've then had. So when we started this exercise, the mapping exercise, we really hope, yeah, so look we'll try to look for A1 size fits all solution to have.

In this, yeah, really challenging times, but there is none that's us, I mean which we really learned here. So there's no one-size-fits-all solutions. So it's really there is no checklist. We've been called so many times. You're at PwC, you've been asked okay, can you provide checklist for an easy strategy and the answer is no there is none.

So easy strategy development is an individual exercise. It's really depends on.

Your own stakeholders on on there, the requirements, regulatory requirements they're exposed to, but also on their own. Yeah, ambition level and last but least on your own ambition level, how high you want to jump over the various requirements and yeah, looking at the first key findings. So the EC regulatory and reporting landscape is. A really complex area which can be all overwhelming. So I think it was in the case study discussions. Also one of the interviewers mentioned Okay. These requirements kind of meet exhaust businesses, so they need to be managed in a carefully way. So resources need to be allocated.

To the to this this really important area and the sector must really work together and collaboration and it needs to created a New Balance between quality and quantity of the requests here and and the webinar this morning. I think someone mentioned OK anybody needs to speak the
same language and this is also really key here and
what this.
This reporting, this report here is really a good example
of how the industry should work together to work on
consolidation of the various standards and as said before,
looking
at key finding #2. There's no one-size-fits-all standards and
although
the different standards will continue to exist due to the
different purposes and stakeholder needs.
There will be consolidation and further alignment, but this is
going to take some, some time and easy is such
a broad area. So what we also learned that yeah,
most of the standards, their existence is really justified here
and if the yeah, ESG transformation goes ahead, we are
going to see even more requirements here.
Looking at Keen Finding #3, we've identified 5 main
categories of different e.g. frameworks and standards which are
fundamental to
the real estate industry. So first of all it was
corporate standards and we have dramatic reporting
standards, for example
looking at climate change. Then we have sustainability
regulation related
requirements, real estate industry specific reporting like like
in REF
or Graspy and.
Just but not least, we have principle based comments,
commitments
like PRI and looking at the 4th key finding. Actually
I mean back to one of the fundamental principles of
these G transformation. We also see here globally is a
double materiality approach.
Which also reflected in the various standards. So here it
is really important not to look only at the ESG
risk, the ESG factors impacting an asset or an investment,
but also yeah, actually disclose and and manage the impact
and asset or the investment has on the society and
or on the environment. For example, we see that right
now with the.
Yeah, ?? disclosure under the SFDR, a strong double
matrariety
approach. We also identified in the GRI requirements coming
to

the fifth key finding, which is really, really key. It's
credible data for science based metrics and targets, which is
really a key.

Requirement to start, yeah, you easy reporting journey, you can't
manage what you can't measure. And we will come take
later a closer look on the, yeah, the challenges that
are involved with the data connection and data management in
relation to easy reporting. We can go to the next
slide please. Thank you.

Then also of course, we looked at the various building
certifications and came to the conclusion, conclusion, sorry, that they
are still an important piece of the puzzle for ESG
strategies. For example, when you have an Article 8/8 Plus
or a Tickle 9 fund under the SFDR, but you
cannot rely only on building certifications.
And it's really, really challenging for building certification bodies and
to stay ahead of the regulatory landscape which is vastly
evolving and and which is really important to keep in
mind building certifications cannot replace any reporting
processes here. So
you with it's just complementary to reporting it, it doesn't
go hand in hand with it.
Even though we identified that in general the amount of
data available and certified buildings is much better than when
you have unsatisfied assets.
Looking at social standards, coming to key finding #7 there
of course much more difficult to measure there because they
are based on on norms and values agreed within societies
but also the legislation and regulation focusing and social
standards
is increasing worldwide. And looking at this important from two
different perspective, you can look at the social standards as
a main investment target.
Work on the one hand, but also as social minimum
requirements, obligations in supply chains, for example, as as currently
being implemented in the European Union last, but then I'm looking at.

Key finding #8, the good governance is fundamental for effective implementation. And also we see here, yeah, a high level of global alignment based on existing corporate governance requirements and then also being based in the European Union course. Europe is right now leading and comes to, yeah, governance.

Frameworks in relation to the ENDS of the e.g. agenda, then looking at key finding #9 Best practice sharing is really important that the industry works together here on this, yeah, and to find uniform standards and share best practices. Also with the real estate ecosystem, but also with the stakeholders impacting the real estate industry for example, the regulatory bodies and also one case study we will look at in a couple of minutes is about the collaboration between landlords and tenants in the form of green visas.

It's also really key that you're not only focused on the real estate industry, but we also involve for the user.

And last but not least, keep keep finding #1 is really, really key to keep that in mind and one important message which we learned in this yeah mapping exercise.

Yeah. For the sustainability strategy to be successful, the leadership must focus resources to the ESG frameworks and standards most relevant to the stakeholders and engage the entire organization to minimize risk and maximize impact. And this is actually the ESG transformation is a global development. It's only at the beginning of this development. And what we can see here is that it's impacting any business and any area of the business and all the various processes. So it's very important for businesses, asset managers, we use that company to keep that in mind and to not underestimate, yeah, the resources and the investment
which is required here. We can go quickly just conscious of time to the
to the case studies. So on this slide you actually
see the journey the data needs to make to
reach its final destination. So coming from the
asset and actually data needs to become information and on
the right hand side you see actually the five
case studies.
Focusing on the different steps of the data journey,
say you can go to the next slide and then
so yeah, thank you also for now from CBE for
providing incredible insight on CBE. I am own EC
management
team which also works.
Closely together with the other, with any other team in
the company and also, started like an EC hotline
and to build in a systematic way.
Know how then looking at Azula's case studies focusing on
graspy and there were also two asset classes in the
focus which are not usually in yeah, the graspy,
In the Grassby scope. So it was rented residential and
resort hotel. And the case study shows in an impressive
way how the score can be improved and
actually how yeah the data can be collected over a
smart tool. Then the Manulife case study is another case
study looking at an in house.
Solution with 15 standards and which have been reduced to
4 standards in the end to make it more practical
than looking at the high scale study focusing on collaboration
with the tenants and also looking at smart meters.
And to the, yeah engagement is key safe and and
collaboration with the tenant is key to really get
an overview on the performance of the building. And last
but not least the EXA I asked I am case
studies focusing on on the camp tool and what opportunity
actually it provides in relation to your decarbonization
strategy and.

With this, I would like to, yeah, close with with
a quote from from Justin, from AXA actually. So what
really is required here is collaboration as said before for
the industry to work together and actually collaboration is the
new competition. And with that I would like to encourage
you to continue that. And I'm also, yeah, looking forward
to the to the discussion right now and handing back
to you Baha.
Yes, thank. Thank you very much Christian for this
comprehensive
overview and providing the main highlights and challenges
together with
the background information on the methodology, which I believe also
very important to touch upon. We will now move to
the panel session to go into more deeper discussion on
the current and evolving ESE regulatory and deporting
landscape.
We also aim to touch upon how this study could
be helpful for the industry in a practical way. I
kindly ask our speakers to turn on their cameras. Yeah,
Many thanks to all our panelists for joining us today.
It's great to have you all. Let me first introduce
them very briefly.
I'm extremely pleased to be joined by Sila Berman. Sila
is the Vice President Senior Writer at CVRA Investment
Management.
Welcome Sila. And we have We are pleased to have
Reagan Reagan Summit. Reagan is the head of
Sustainability, Real
Estate Equity and Infrastructure at Manulife Investment
Management. Welcome Reagan.
We are happy to have you here.
We are also joined by Esther Ahn. She has kindly
accepted to join the discussion today. She's the Chef, Chief
Sustainability Officer at City Developments Limited and she's
based in
Singapore. Welcome Esther and plus but not least, Nela Nela
Kirer from BMP Pariba, the estate. She's the Head of
Sustainability and CSR. Welcome Nela.
So before we start, we have two polling questions very,
very quickly for the audience, just to get some understanding
on how you view the ESG landscape. So the first
question is about your view on the overall scope and
evolution of the ESG reporting landscape. Yeah, is it all
clear or is it complex as we see but still
possible to?
Be up, keep up to date? Or is it very
complex and difficult to follow? Or you could also say
extremely complex or yeah, maybe you don't have an idea.
You can also have option to choose that, yeah, I'm
looking to my colleagues from ULI, maybe we can show
the results already.
So the results are fully aligned with the results of
the report. So we see that it is complex, but
I'm also happy to see that 41% of the audience
thinks that it's also possible to stay up to date
by regularly keeping an eye on it. Let's move to
the second one. So.
As you heard from from Kristen, we had five categories
in the report for the ESG reporting frameworks. Just to
get your experience on this to the to understand that
does your company use one or more of the sustainable
to reporting frameworks below. So we have the core ones
such as SASB, GRI, we have thematic reporting standards
such as TCFT.
We have the regulation obviously we provided here
European ones,
but you can consider the global ones as well industrial
driven reporting standards as in April as A and as
a benchmark race and principal based commitments like PRI
or
you can choose none of the above or you can
also say you don't have an idea on this.
Yes. Can we can we see the results please? Ohh,
it's very, very mixed as the IT shows the the,
the landscape actually of the of the report. So we
see GRI type of core reporting standards, thematic ones. The
regulation is obviously the majority. And yeah, I'm also happy
to see that the industry reporting standards is also used.
Thank. Thank you very much for for the answers that
gives us an idea for our discussion also and I
would like to remind the participants that we have a
chatbox function for your questions. If you have any
questions
during the panel discussion, please feel free to drop your
questions in the chatbox when they come in. So let
me turn back to our panelists. My first question is
General views on the study Many of you supported the
project from the very early stages by joining the discussions
in the steering committee meetings and regularly providing feedback. How does the end report end product compared to your expectations upfront? What are your views in general on this? Yeah, may I start with Nella perhaps? Would you like to go first?

Sure, sure. Thank you, Bihar. Good evening, everyone. So first of all, I would say that the report is very, very much practical. So the first thing that I would do personally in my organization is to share it. And even with some extraction of the findings and some screenshots, we can definitely get very relevant information. So it's really practical and it's not so common. To have reached such level of clarity to to consolidate such complex framework. So I'm very happy about it. So I will definitely present it and I encourage everybody to read it and review and then I would say that it will be extremely helpful and it will support and confirm the way we have started to work at least at BNP Perry Barim and potentially within the other organization. Meaning, focusing on the data. That's also what the report is confirming. Choosing a framework compared to others and not targeting everything doesn't make sense, so the report is also confirming it and trying to map regulation and voluntary aspects. Is still.

A complex element which is also described. Within the report, so it will support us in demonstrating that it's not always straightforward to compare building certification and make the link with SFDR, for example, so practical report, easy to read and a very strong summary of everything that exists for me. Thank you very much, Nela. It's great to hear that you found it very practical. Yeah, that. That. It took us 1 1/2 years to put this together. But yeah, I'm happy to hear that. Reagan, would you like to go second, please?
Hi, everyone. Thank you for being here and it's just great to see so many calling into this webinar. I think it's a great sign of the interest that exists within the real estate industry to advance sustainability. I've found Court findings, excellent. I think we had a great overview from Christian at the top and I think one of the biggest takeaways is that it reflects something that those of us that have been working within sustainability in real estate for a while now have known is that real estate strength is likely also its weakness. There is an enormous number of certifications that have evolved over the years in a true effort to try and actually address some of these large scale issues. Bihar that you that you spoke of at the top, social inequality, health and wellbeing. You know, climate change, climate risk. So you see so many certifications across the board. Real estate also is an industry that has access to unbelievable amounts of data. You can have data of multiple building meter data. You can have, you know, individual tenant data. You can have data on, you know, temperatures in rooms across your portfolio. But in light of all of that, what this report is able to do is summarize and start the conversations. Are we actually achieving the outcomes that we want? Because at the end of the day, I think it's starting those conversations, whether it's with your investor membership, your stakeholders, your tenants, what is the outcome you want to achieve and then how do we use this, you know, this. Framework and all of these things at our disposal to achieve those outcomes and the outcomes, you know, the outcomes here for Manulife Investment Management may vary from the outcomes you know that CBRE or my colleagues in Singapore might be looking for. And I think that's one of the strengths of this report is that it allows us to start having those conversations. Thank you very much. They're going, yeah, I actually at
the very beginning we were hoping to achieve. Like an agreed set of reporting is standards and KPIs for the real estate industry. But yeah at the end we with the report we see that the main highlight is that we cannot have one-size-fits-all reporting. So and that's fine that that's fine and we just need to understand the specific needs for for the industry that's the main. One of the main highlights from the report. So Esther, would you do you like to provide your perspective maybe on the overview?

Yeah, hi, good thing from Singapore. Thank you for having me to share a little bit of the, you know our life is really not not easy and. There's no one size fit or personally I have been there sustainability journey for, you know, 20 years now and I just issued the 16th sustainability report last week and it is really very, you know, not a simple journey and I like what Christian just presented. Definitely it's not easy to find once you know. Framework that can summarize everything and if you have actually read this report, rate the rater report that was conducted by in 2020 by ERM. As of 2018, there were more than 600 ESG ratings ranking Sustainability reporting framework 600 over and it has since grown. You know tremendously as you know after you know the last couple of years after COVID. Sustainability is becoming stream in every part of the world. I don't think it, you know, it's the same in whether it's Europe, US or you know Asia and a lot of regulators have stepped up also to you know. So exchanges, similarly in Singapore, we have stepped up a lot and the mandatory reporting has you know, been implemented since 2017 and now it's adding even more apart from GRISSDTCFD and now we're looking at, you know, the TNFD as well and of course CCDP and we are all, you know, trying to survive in this hot soup of
acronym and alphabets, which is really not easy. And of course investors are also, you know, raising the bar. And of course Bankers as well and in the over the last couple of Corp, we all have seen the net zero alliance apart from investor, we also see the Bankers and also insurance company. So everyone is look at the North Star that is actually decarbonization towards. Net 0 So in the building sector we have high carbon impact of, you know, we all know that we account for more than 40% of greenhouse gas emission globally and how we design, build and manage our property, you make a huge difference. But how can we just now you know, the presenter also say that we can't manage what we can not measure. So data is very important that in our industry we are dealing with the whole ecosystem of many, many you know elements whether it is from the the one who sell the land and then you know that we deal with like contractors, architect, engineer, consultants and down the line we have you know consumer tenants as well. We have implemented our, you know 100% Greenleaf since 2017, but we are still in the journey to educate more and supply. Teaching is a very big challenge because their footprint is my footprint. So how do we get the data and how do we make sure that it is accurate. It is you know, audited and validated is very, very, you know, challenging and we are still learning by doing it. And in fact I like the report very much, very brave approach, but very important to provide some of the you know, some clarity, you know to help us to navigate, you know to to help many companies to navigate in this whole maze of. Various standards and framework and there was just now one finding also say that green building standards cannot you know replace the all these reporting framework. And I totally agree with that because they're actually apart from green building standards and the rating we also have to look at various
you know just now we mentioned you know the GRI, the TCFBFD&SSB and the PRI and all and of course now nature based solution is very important so but. One thing I have learned is like apart from you know the sustainability reporting is not an operational report, it is also a strategic report. So we have to look at not just about the standards and the metrics and not just about corporate governance or risk management, but you also have to look at strategy. You look don't look at the past, not just present, but also look at the future. So the double materiality, you know perspective is very important. We have to look at the value we create for our investors, and also have to look at the impact that we create you know to the planet and the people. So this is a complex, you know a subject but I like the smell, the polls. So that yes it’s complex but there is hope and there is actually making some we see some progress on the so-called consolidation and harmonization. And personally I will always advocate for the two pillars approach which is actually ISSB and GRI looking at both you know impact and value.

Thank you. Thank you very much. Yeah, it is also, yeah, very important to have this double materiality and we hear that a lot in several frameworks now. Cela Yeah, Would you like to have the last views on the report? Yeah. Thank you, Bahar. And so excited to be here and a part of this. I think this is a groundbreaking study I think both for the novice and for the experienced in terms of helping all of us navigate all the the standards and the frameworks and the certifications.

What I liked about the report is very clear. It goes through each standard and framework and certification, describing how it can be used, why it's important, what it shows. And I think that's so important because people, investors
and and consultants and others are asking for information, but not necessarily. We don't know that they're actually using that information. So the fact that they can be really strategic looking through and seeing what really matters to them and what's material to them and to their business and ask only that based on that and and implement those standards and regulations that are important to the business based on their geography, the sectors that they're in, all that I think is really critical what I really like.

Is on page 60 of the report is a self-assessment. I think it provides some really important questions for a manager organization to go through and to determine to help them determine what is material to them. And then also I want to encourage everyone to read the case studies because those are the best practices, those of us who have been doing this for quite some time.

And we've been through the trenches and have created solutions based on the challenges that we were faced with. And I think those are really important for everyone to really read and to see how they can use those best practices or adapt them to their own circumstance.

Thank you very much and thank you for highlighting the self-assessment also it's very important. And the case studies, we had one from CVRE and also one from Manolife, we appreciate the support on that. So if you move to the second question, I would like to a little bit go deeper on the challenges that we already mentioned, a couple of them and we have been talking about the complexity in the ESG reporting practice.

From your organization's perspective, what are your key operational challenges when it comes to EST reporting and how have you been keeping on top of the increasingly complex landscape of EST reporting Again, maybe still you can you can continue with that question maybe also if you can just provide, yeah, you can also mention to your case study if you like to of course.
Happy to do so. And also to respond to the question that was asked about whether we see a diminishment in ESG interest in the current environment and we do not see a diminishment of interest. What I actually we've seen in the last few years is an exponential increase in interest by consultants by investors in ESG. And part of it is, is the regulatory push, but part of it is just the what's happening in our environment today and the understanding that we all need to participate and real estate accounts for 40% of emissions. So we know as an industry that we need to do something to help the environment. What we saw in at CBRE in 2019 CBRE investment management completed 50 reporting and requests for information, 50 for the globally in 2022 at sorry, in 2020 in the midst of the pandemic that tripled to 156 in 2021. We completed 500 and in 2022 last year we completed 800 and those are 800 requests for information and including also the reporting frameworks huge exponential increase and what that requires is a huge you know that requires people to complete that. So what was talked about in the study is. The understanding and need for resources not only for our sustainability teams, right, that are actually doing the the work on the ground in terms of decarbonization and other sustainability efforts, but also in being able to respond to the request for information and also to to. To fulfill all the reporting requirements. So there's tremendous reporting burden and I'm still hopeful that there's that this report is a jumping off point to us leading being a leader in pushing for some kind of solution to that reporting burden so that we can be both transparent and also yet. Be able to have the capacity to get the work done and to provide the information that's needed. Also our sustainability team to be able to be consistent in our approach, we had to create tools for evaluation and
processes.

00:44:38 --> 00:44:42: So we created a tool for our acquisitions team, what
00:44:42 --> 00:44:46: they needed to collect information that they needed to collect
00:44:46 --> 00:44:51: so our investment committees could adequately evaluate
00:44:51 --> 00:44:56: ESG risk and
00:45:01 --> 00:45:05: And those are just a few. We have many different
00:45:05 --> 00:45:09: tools and processes that were created. So check out the
00:45:09 --> 00:45:13: again the there's a case study in in the report
00:45:13 --> 00:45:17: on.
00:45:17 --> 00:45:21: That, yeah and thank, thank you very much, Sila. And
00:45:22 --> 00:45:27: challenges, Regan you mentioned the challenges specific for
00:45:27 --> 00:45:32: the real
00:45:28 --> 00:45:32: estate industry.
00:45:32 --> 00:45:35: And I just wonder your views on how you compare
00:45:36 --> 00:45:39: industry with other asset classes when it comes to ESG
00:45:39 --> 00:45:43: reporting and the challenges that we face. I, I'm
00:45:43 --> 00:45:48: Real estate industry might be lagging behind when it comes
00:45:48 --> 00:45:51: to ESC reporting, but also when we see the the
00:45:51 --> 00:45:55: the port results today, it shows that we took important
00:45:55 --> 00:46:00: steps to deal with ESC reporting and ESC efforts. Yeah,
00:46:00 --> 00:46:04: as you have diversified portfolio, I wonder your views on
00:46:04 --> 00:46:09: this, how would you compare it with other asset classes?
00:46:10 --> 00:46:15: Thanks, Behar. I think that real estate actually does itself
00:46:15 --> 00:46:19: a disservice sometimes in truly identifying where we're at in
00:46:19 --> 00:46:23: terms of this ESG journey. We do take responsibility for,
00:46:24 --> 00:46:28: you know, the significant amount of emissions that do result
00:46:28 --> 00:46:32: from our buildings and our asset class, although at the
00:46:32 --> 00:46:35: same time we have access to an enormous amount of
00:46:35 --> 00:46:39: data.
00:46:39 --> 00:46:42: And we really understand how we can mitigate those
00:46:42 --> 00:46:47: emissions.
00:46:47 --> 00:46:51: The solutions are actually out there and available to us.
00:46:51 --> 00:46:55: And So what I see in the industry is that
00:46:55 --> 00:46:59: we.
00:46:59 --> 00:47:02: Have done ourselves a disservice because we have a lot
00:47:02 --> 00:47:05: of this data, but I don't know whether we're interpreting
00:47:05 --> 00:47:09: the data, whether or not we're evaluating the data from
00:47:09 --> 00:47:13: a data quality and you know a data coverage perspective
which the report highlights. I think about that in comparison
to some of the other asset classes out there, whether
or not in real assets in alternatives.
Or even in the public markets, we know that a
lot of the data and ESG metrics out there are
actually estimated and they leverage you know tools and
providers
that provide estimates which in that case if that's all
that's available, if you need to use it, but real
estate often has actual data, we can, we can produce
ture missions data on an annual basis and disclose that.
And use that to inform our decision making. And I
think we should celebrate that actually and use that as
a jumping off point to continue our Rd. towards
decarbonization. I really think the real assets and real estate
have the opportunity to lead in the decarbonization journey
and
the built environment can definitely demonstrate to other
industries how
we can achieve our net zero goals.
Yeah. Thank. Thank you very much so.
Yeah, we sometimes I feel the same. We focus more
on the challenges but not the what we have actually
with the tools the the, the advantages we already have.
So yeah, it's a it's a good perspective Sr. you
already mentioned a couple of challenges on the reporting on
the supply chain side, data side.
Do you see differences when it comes to EST reporting
from a global perspective from maybe Asia Pacific to
Europe?
Are we talking about the same challenges or same same
issues in in this area?
Yeah, definitely. I have the, you know, privilege to be
part of the Uri Asia Pacific, you know, sustainable cities
network and also I care that Uri Singapore Sustainability
Committee.
So we do have a lot of interaction with, you
know, global companies and all that. The world is all
connected.
And we do also have a lot of investor that
is from different part of the world and that is
something that is so important that because we are all
talking about the global climate emergency, we only have
planet with wherever you are. So it's the same you know that we are looking at because especially for real estate sector we are always you know very proud of in our sector especially in Asia we are playing a very key role. We always say that you don't even need to be a real estate, you know professional but you. Have an impact because people spend about 90% indoor and you leave work, use a building and you know whether it is at work, at play, or you know when you're traveling or for entertainment, everybody has an impact on building performance.

So that is also give us the opportunities to engage a very big ecosystem of stakeholders and of course the investors, regulators and financiers, all these are actually very important stakeholders that we are all looking at because I think you know now financier also have to look at net zero. So when you assess an application whether it is a green bond, green loan or you know sustainability loan that help us.

To really tap onto resources, energy, you know solutions and technology to green our build environment we need to present very good ESG performance and that is where reporting is.

So come into the picture if we cannot convince our investors or our bankers that with we have very strong climate strategy, we have very strong governance policies in place, we don't have bought or you know management.

Commitments to the SGI think it will be very hard for us to really access to, you know, all these financial support and all and even you know, the business case has never been stronger if you follow the World Economic Forum, the global survey risk survey.

Among the top ten risk, the top five are always climate related whether it is loss of biodiversity or you know there are a lot of them. And also the data also show that insured losses is getting higher and higher each year and climate risk actually will estimate is
to add about $183 billion to property insurance by 2040.
Yeah. So I think definitely as a building owner and
also building asset manager, building owner and manager, as a
landlord, we all have a lot of responsibilities to do
to protect not just the infrastructure, but also the people.
And I think one thing we are looking at is.
There are a lot of hope that actually in our sector we always say that technologies are available, but whether
we have the real powers to really to apply it
and also find resources to do so, that is very important. And definitely you know, combining you know, the willpower
and the technology and also the financial resources, we can
actually you know.
It, you know, to the climate emergency and and and
work towards net zero and win in the global race
to net zero. So there's always solutions and there's always hope, yeah.
Thank you for this very positive perspective we need that
I I I think I see that there are questions coming in the check box as well. So one of them is about the direction of travel for ESC reporting
asking if it is going more towards industry like frameworks
or increase in regulatory driven requirements. Is anyone wants to
answer this question perhaps?
Say it's a combination of both. We're not seeing everyone
has to meet the regulatory standards, but there's no let
up on having to to again continue with the other
industry standards as well. There's an expectation that we will,
you know as a leader in this field.
That we will meet those industry as well as regulatory standards.
Thank you. If I may share from the corporate you know reports preparer perspective in our framework actually we do
even have like apart from the thematic you know like
CDP, TCFG, SB, CDSP and and all we also have
the real estate. Of course Grassby is very important for
real estate player like us, but one thing I'm also
very you know a strong.

Long advocate of it is SPTI science based target initiatives because I think everyone that is too familiar with the with the term greenwashing. So when we say we touch to net zero and what targets that we set, I think the best is actually the you know most credible you know reduction target is to be backed by science. So that is why we actually secured the SPTI validated target since 2018 at that time was aligned with two degree but.

Two years ago, 2021, after we pledged to World Computing Council's Net 0 commitment, we actually also look at 1.5 degree and also send it to SPTI for validation. So I think you know, in order to convince investors and stakeholders and regulators that your sustainability report is actually credible and also you know, I think external assurance is important. Backed by, you know, science is very important, so reporting have to look at both qualitative, quantitative and also external validation is very important.

Yeah, thank you. Thank you very much, Esther. So we talked a lot about the reports and frameworks, but it's also important we, we mentioned that the action side, the ESG objectives and strategies, how we make it in action. And the recent, the most recent IPCC report had a very clear warning on the climate crisis, stating that the pace and the scale of climate action are insufficient to tackle climate change.

Let me turn to Nello. Perhaps would you like to provide your views on this, how we can make this ESG reporting landscape more linked to the actions side?

Sure.

First of all, I would really encourage everyone to read the Executive executive summary of the IPC report because there is one thing that kind of shocked me is that the global JG emission peak. Is not expected by the end of century. For all the people who talk about net zero, the peak is expected in 2025. So it means that it's tomorrow. So it's not the end of the world, absolutely not. But it means that for the real estate industry, the objective
is not anymore long term, but the short term. So the graph that we have in the report in Page 25 from the crime tool. Showing what is the difference between a light adapter in terms of carbon pathway and an early adopter is for me an excellent summary of what should be the next challenges of the real estate investment management. So we have to focus on collecting the data and putting in place a lot of actions on the buildings very quickly to make sure we slow down and we decrease the carbon pathway of our assets and the management. To be early adopter, to preserve the liquidity, to ensure the financing that Esther was mentioning and to report properly according to different frameworks. So Graz, Pierre, I depending on the the, the most relevant one according to our organization. But according to me and following with the IPCC is saying we have to focus on putting in place actions in the very short term. And this kind of report and exercise should remind us that we should not be lost completely in translation in the global regulatory framework or voluntary framework. So let's focus on working on the assets and demonstrate it to the investors and to the markets through many different types of frameworks. Thank you. Thank you. Thank you, Nela. Yeah, this is yeah, very, very important to link that obviously and for the reports. Maybe as final thoughts on that I can turn to Regan this time. Do you think we are having an achieving or going towards that achievement towards the actionable reports or? Would that be LinkedIn in the reports? I mean, would ESC reporting framework be helpful to achieve our targets in the future? What do you think about this? I think that can be a really useful mechanism to guide your management practices. I know that you know many of us have used Grez for many years, not just to provide benchmarking of our investments.
But also to provide a road map and highlight the gaps and opportunities you know and we use that to inform you know how we can guide our our program and our management forward, what are the actions that we need to put in place to maintain you know the results that we want to see.

And you know in light of that, so Graz you know is an excellent vehicle. CDP also provides a lot of guidance from that perspective in terms of identifying you know gaps and results in a feedback loop. And then the regulations really are a disclosure mechanism, right. So you know regulations are really not to benchmark, but they're just truly to disclose and put that information back out so not to get caught up in the regulatory environment. But truly just to allow that to to disclose where you're at and how you're doing. You know if I was starting this journey today, I think one of the other things is, is that time and that space to put in those tools and those databases to collect the information in a seamless way. Some of the participants here spoke about the the amount of resources needed.

And I think the more we can automate that and lessen the resources for that, so that we can you know, spend the time on the actions, spend the time on you know, asset level decarbonization plans specifically you know, to advance and slow down that curve as Nella was speaking about, that's you know how I would think about this, you know, reporting and framework journey.

Thank you very much. That actually brings us to the end of the session. It ended without we know it actually. So Many thanks to our panelists for for the great discussion and to all participants. I would like to also thanks specifically to the organizations it was a pleasure for in Rev to work with ULI and PRI and PwC in this project. And special thanks to the steering committee members for their contribution again.

I think that Christian also mentioned that with with her presentation. Yeah, it is a really good example of collaboration in this area and I see that, yeah, we have a couple of survey questions for for the audience. We
appreciate that if you can fill it. And just as a note, the recording of this session will be available on the associations websites and the report is already available on our web pages. And I encourage everyone to read the report for more details and see if you can use it for your ESG reporting journey. And please feel free to reach out to us if you have any questions or feedback. We would appreciate that. Thanks again and enjoy the rest of the day. Thank you.