

Webinar

Mapping ESG Webinar (Americas and EMEA)

Date: April 12, 2023

00:02:55 --> 00:02:59: So hello everyone. Welcome to the ESG Mapping Briefing by
00:02:59 --> 00:03:03: in Rev Ulimpiri. My name is Baharia Chidik, I'm the
00:03:03 --> 00:03:07: Professional Standards Manager at IN Rev. Today is a very
00:03:08 --> 00:03:11: important day for us. We have been working on the
00:03:11 --> 00:03:15: ESG mapping study for quite some time now and we
00:03:15 --> 00:03:19: are very proud and very excited to launch the results
00:03:19 --> 00:03:20: today.
00:03:21 --> 00:03:26: And as we all know, environmental and social challenges present
00:03:26 --> 00:03:31: arguably the greatest risks facing our societies globally. From
climate
00:03:31 --> 00:03:36: change to biodiversity laws, from border scarcity to social
inequalities
00:03:36 --> 00:03:40: in various forms, the scale of the challenge is huge.
00:03:40 --> 00:03:44: As a real estate industry, we have important contribution to
00:03:44 --> 00:03:49: make in addressing these social and environmental
challenges.
00:03:49 --> 00:03:53: And over the past decades, we see that there's a
00:03:53 --> 00:03:58: growing importance of sustainability in the industry. The
industry started
00:03:58 --> 00:04:04: to develop its own frameworks, standards and certifications
alongside with
00:04:04 --> 00:04:08: the Universal Core ESG reporting standards. Now we see
that
00:04:08 --> 00:04:13: regulations across different countries and regions have
stepped up and
00:04:13 --> 00:04:17: more are expected to come soon. As a result, it
00:04:17 --> 00:04:17: has been.
00:04:18 --> 00:04:24: Increasingly difficult to navigate the various mandatory
regulations and voluntary
00:04:25 --> 00:04:29: 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

00:04:38 --> 00:04:45: compare the most important ESG related regulations, standards and certifications

00:04:45 --> 00:04:47: for for 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

00:04:56 --> 00:04:59: launch the results today and I hope that you will

00:04:59 --> 00:05:02: also find this interesting and useful in your own ESG

00:05:02 --> 00:05:07: reporting journey. In today's agenda, we'll start with a presentation

00:05:07 --> 00:05:11: from PwC to provide the key highlights from the report,

00:05:11 --> 00:05:14: 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

00:05:23 --> 00:05:27: 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

00:05:33 --> 00:05:36: inviting us today. It has been a great honor and

00:05:36 --> 00:05:40: and also great opportunity for us at Peter VSC to

00:05:40 --> 00:05:43: support the ULI PR and in Rep on this really

00:05:43 --> 00:05:48: exciting journey. And yeah, on the easy mapping exercise. And

00:05:48 --> 00:05:51: as you said Baja, we spent quite some time of

00:05:51 --> 00:05:56: a very intense research and discussions and the test today

00:05:56 --> 00:05:59: is really special day and we are really.

00:05:59 --> 00:06:02: Be excited to be able to to share the the

00:06:02 --> 00:06:06: results with you today. As I said I'm the global

00:06:06 --> 00:06:11: real estate is to leader at PwC actually global interdisciplinary

00:06:11 --> 00:06:17: team consisting of consultants, lawyers, tax advisors, valuation experts and

00:06:17 --> 00:06:21: many more and our focus is is to strategy development

00:06:21 --> 00:06:23: and implementation.

00:06:24 --> 00:06:28: And in the next couple of minutes, I would like

00:06:28 --> 00:06:31: to give you an overview on the report on the

00:06:31 --> 00:06:36: focus of our technical market research. Be great if you

00:06:36 --> 00:06:40: can jump to the slide with the agenda. Perfect. Thank

00:06:41 --> 00:06:45: you exactly. So in the report, we add basically 2

00:06:45 --> 00:06:50: main focus areas. The first one is the technical research

00:06:50 --> 00:06:50: part.

00:06:52 --> 00:06:57: Where we identified actually 10 really key findings, I would

00:06:57 --> 00:07:00: like to present to you in the next couple of

00:07:00 --> 00:07:04: minutes. And then we were really lucky to us to
00:07:04 --> 00:07:08: conduct case studies or to support case studies by as
00:07:08 --> 00:07:13: you actually the report comprises of five case studies, two
00:07:13 --> 00:07:17: of which shows some great inhouse solution dealing with the
00:07:17 --> 00:07:22: yeah evolving easy regulatory and yeah landscape here and.
00:07:22 --> 00:07:27: The three other case studies focus on, yeah, other
challenges
00:07:27 --> 00:07:32: and really provide best practices in this, yeah, vast evolving
00:07:32 --> 00:07:36: and broad area. And last but not least, I will
00:07:36 --> 00:07:40: give you a quick overview on the on the table
00:07:40 --> 00:07:45: actually which was the basis of the technical research
exercise
00:07:45 --> 00:07:49: which which was also being disclosed in in the report.
00:07:50 --> 00:07:53: If you can go to the next slide, that would
00:07:53 --> 00:07:57: be great. Yeah. The next one please. Exactly. So as,
00:07:57 --> 00:08:01: yeah, as you heard before, this project was jointly managed
00:08:01 --> 00:08:03: by the UI, the PRI and NRAF and it had
00:08:03 --> 00:08:09: been really intense discussion, discussions about the
methodology, the focus
00:08:09 --> 00:08:12: and the target, the intention of the report.
00:08:13 --> 00:08:17: The regional focus was actually a global one, so we
00:08:17 --> 00:08:20: looked at the EU including UK Americas and in Asia
00:08:20 --> 00:08:24: Pacific and Hong Kong, Singapore, Japan and Australia.
00:08:25 --> 00:08:30: And mentioned before, so the, yeah, the technical research
really
00:08:30 --> 00:08:34: one, yeah, the main part of the report was intended
00:08:34 --> 00:08:39: to compare the various frameworks and standards in relation
to
00:08:39 --> 00:08:44: the scope and their purposes and to, yeah, demonstrate that
00:08:44 --> 00:08:49: methodology. And we really intended to look for duplications
and
00:08:49 --> 00:08:53: see where maybe where some potential tool to make our
00:08:53 --> 00:08:55: tool easy reporting more.
00:08:55 --> 00:09:01: Efficient and yeah, actually the intention was to provide
transparency
00:09:01 --> 00:09:05: and this all supported by the case studies which I
00:09:05 --> 00:09:08: just mentioned. On the right hand side you see the
00:09:09 --> 00:09:15: various frameworks and reporting standards and certification
which we've reviewed.
00:09:15 --> 00:09:19: In the last couple of months or more years, and
00:09:19 --> 00:09:24: as Baha mentioned, it has become increasingly difficult to
navigate
00:09:24 --> 00:09:30: the various mandatory regulations, but also the voluntary
standards and

00:09:30 --> 00:09:34: what we also learned in any interview, which we did,
00:09:34 --> 00:09:35: that there is a.
00:09:36 --> 00:09:42: Huge information requests around by investors and the various stakeholders
00:09:42 --> 00:09:46: and it's really, really challenging for all the, yeah, asset
00:09:46 --> 00:09:51: managers, real estate companies to manage these requests and to
00:09:51 --> 00:09:53: provide meaningful information.
00:09:56 --> 00:09:59: Can you please go to the next slide exactly. So
00:09:59 --> 00:10:03: looking at the technical report and the first five key
00:10:03 --> 00:10:07: findings which you've then had. So when we started this
00:10:07 --> 00:10:12: exercise, the mapping exercise, we really hope, yeah, so look
00:10:12 --> 00:10:15: we'll try to look for A1 size fits all solution
00:10:15 --> 00:10:16: to have.
00:10:18 --> 00:10:22: In this, yeah, really challenging times, but there is none
00:10:22 --> 00:10:26: that's us, I mean which we really learned here. So
00:10:26 --> 00:10:30: there's no one-size-fits-all solutions. So it's really there is no
00:10:30 --> 00:10:34: checklist. We've been called so many times. You're at PwC,
00:10:35 --> 00:10:38: you've been asked okay, can you provide checklist for an
00:10:39 --> 00:10:42: easy strategy and the answer is no there is none.
00:10:42 --> 00:10:47: So easy strategy development is an individual exercise. It's really
00:10:47 --> 00:10:48: depends on.
00:10:48 --> 00:10:54: Your own stakeholders on on there, the requirements, regulatory requirements
00:10:54 --> 00:10:58: they're exposed to, but also on their own. Yeah, ambition
00:10:58 --> 00:11:02: level and last but not least on your own ambition
00:11:02 --> 00:11:06: level, how high you want to jump over the various
00:11:06 --> 00:11:11: requirements and yeah, looking at the first key findings. So
00:11:11 --> 00:11:15: the EC regulatory and reporting landscape is.
00:11:16 --> 00:11:20: A really complex area which can be all overwhelming. So
00:11:20 --> 00:11:23: I think it was in the case study discussions. Also
00:11:23 --> 00:11:28: one of the interviewers mentioned Okay. These requirements kind of
00:11:28 --> 00:11:32: meet exhaust businesses, so they need to be managed in
00:11:32 --> 00:11:35: a carefully way. So resources need to be allocated.
00:11:36 --> 00:11:40: To the to this this really important area and the
00:11:40 --> 00:11:45: sector must really work together and collaboration and it needs
00:11:45 --> 00:11:49: to created a New Balance between quality and quantity of
00:11:49 --> 00:11:53: of the requests here and and the webinar this morning
00:11:53 --> 00:11:58: I think someone mentioned OK anybody needs to speak the

00:11:58 --> 00:12:02: same language and this is also really key here and
00:12:02 --> 00:12:02: what this.
00:12:03 --> 00:12:07: This reporting, this report here is really a good example
00:12:07 --> 00:12:11: of how the industry should work together to work on
00:12:11 --> 00:12:16: consolidation of the various standards and as said before,
looking
00:12:16 --> 00:12:22: at key finding #2. There's no one-size-fits-all standards and
although
00:12:22 --> 00:12:26: the different standards will continue to exist due to the
00:12:26 --> 00:12:29: different purposes and stakeholder needs.
00:12:30 --> 00:12:35: There will be consolidation and further alignment, but this is
00:12:35 --> 00:12:39: going to take some, some time and easy is such
00:12:39 --> 00:12:43: a broad area. So what we also learned that yeah,
00:12:43 --> 00:12:48: most of the standards, their existence is really justified here
00:12:49 --> 00:12:53: and if the yeah, ESG transformation goes ahead, we are
00:12:53 --> 00:12:56: going to see even more requirements here.
00:12:58 --> 00:13:03: Looking at Keen Finding #3, we've identified 5 main
categories
00:13:03 --> 00:13:07: of different e.g. frameworks and standards which are
fundamental to
00:13:07 --> 00:13:11: the real estate industry. So first of all it was
00:13:11 --> 00:13:16: corporate standards and we have dramatic reporting
standards, for example
00:13:16 --> 00:13:21: looking at climate change. Then we have sustainability
regulation related
00:13:21 --> 00:13:26: requirements, real estate industry specific reporting like like
in REF
00:13:26 --> 00:13:27: or Graspy and.
00:13:27 --> 00:13:33: Just but not least, we have principle based comments,
commitments
00:13:33 --> 00:13:38: like PRI and looking at the 4th key finding. Actually
00:13:38 --> 00:13:42: I mean back to one of the fundamental principles of
00:13:42 --> 00:13:47: these G transformation. We also see here globally is a
00:13:47 --> 00:13:49: double materiality approach.
00:13:50 --> 00:13:55: Which also reflected in the various standards. So here it
00:13:55 --> 00:13:59: is really important not to look only at the ESG
00:13:59 --> 00:14:04: risk, the ESG factors impacting an asset or an investment,
00:14:04 --> 00:14:09: but also yeah, actually disclose and and manage the impact
00:14:09 --> 00:14:13: and asset or the investment has on the society and
00:14:14 --> 00:14:18: or on the environment. For example, we see that right
00:14:18 --> 00:14:19: now with the.
00:14:20 --> 00:14:25: Yeah, ?? disclosure under the SFDR, a strong double
matriarity
00:14:25 --> 00:14:30: approach. We also identified in the GRI requirements coming

to

00:14:30 --> 00:14:34: the fifth key finding, which is really, really key. It's

00:14:34 --> 00:14:39: credible data for science based metrics and targets, which is

00:14:39 --> 00:14:40: really a key.

00:14:41 --> 00:14:46: Requirement to start, yeah, you easy reporting journey, you can't

00:14:46 --> 00:14:50: manage what you can't measure. And we will come take

00:14:50 --> 00:14:54: later a closer look on the, yeah, the challenges that

00:14:54 --> 00:14:59: are involved with the data connection and data management in

00:14:59 --> 00:15:03: relation to easy reporting. We can go to the next

00:15:03 --> 00:15:05: slide please. Thank you.

00:15:05 --> 00:15:10: Then also of course, we looked at the various building

00:15:10 --> 00:15:15: certifications and came to the conclusion, conclusion, sorry, that they

00:15:15 --> 00:15:19: are still an important piece of the puzzle for ESG

00:15:19 --> 00:15:24: strategies. For example, when you have an Article 8/8 Plus

00:15:24 --> 00:15:27: or a Tickle 9 fund under the SFDR, but you

00:15:27 --> 00:15:31: cannot rely only on building certifications.

00:15:31 --> 00:15:37: And it's really, really challenging for building certification bodies and

00:15:38 --> 00:15:42: to stay ahead of the regulatory landscape which is vastly

00:15:42 --> 00:15:47: evolving and and which is really important to keep in

00:15:47 --> 00:15:53: mind building certifications cannot replace any reporting processes here. So

00:15:53 --> 00:15:58: you with it's just complementary to reporting it, it doesn't

00:15:58 --> 00:16:00: go hand in hand with it.

00:16:01 --> 00:16:07: Even though we identified that in general the amount of

00:16:07 --> 00:16:14: data available and certified buildings is much better than when

00:16:14 --> 00:16:17: you have unsatisfied assets.

00:16:19 --> 00:16:23: Looking at social standards, coming to key finding #7 there

00:16:23 --> 00:16:27: of course much more difficult to measure there because they

00:16:27 --> 00:16:31: are based on on norms and values agreed within societies

00:16:31 --> 00:16:37: but also the legislation and regulation focusing and social standards

00:16:37 --> 00:16:41: is increasing worldwide. And looking at this important from two

00:16:41 --> 00:16:46: different perspective, you can look at the social standards as

00:16:46 --> 00:16:48: a main investment target.

00:16:48 --> 00:16:52: Work on the one hand, but also as social minimum

00:16:52 --> 00:16:56: safeguards, for example when it comes to duty of care

00:16:56 --> 00:17:02: requirements, obligations in supply chains, for example, as as currently

00:17:02 --> 00:17:07: being implemented in the European Union last, but then I'm
00:17:07 --> 00:17:08: looking at.
00:17:09 --> 00:17:14: Key finding #8, the good governance is fundamental for effective
00:17:14 --> 00:17:18: implementation. And also we see here, yeah, a high level
00:17:18 --> 00:17:24: of global alignment based on existing corporate governance requirements and
00:17:24 --> 00:17:29: then also being based in the European Union course. Europe
00:17:29 --> 00:17:33: is right now leading and comes to, yeah, governance.
00:17:35 --> 00:17:39: Frameworks in relation to the ENDS of the e.g. agenda,
00:17:39 --> 00:17:44: then looking at key finding #9 Best practice sharing is
00:17:44 --> 00:17:49: is key. So as I said before, we really appreciate
00:17:49 --> 00:17:53: that we were able to support this project and it's
00:17:53 --> 00:17:59: really important that the industry works together here on this,
00:17:59 --> 00:18:04: yeah, and to find uniform standards and share best practices.
00:18:06 --> 00:18:09: Also with the writer real estate ecosystem, but also with
00:18:09 --> 00:18:14: the stakeholders impacting the real estate industry for example, the
00:18:14 --> 00:18:18: regulatory bodies and also one case study we will look
00:18:18 --> 00:18:21: at in a couple of minutes is about the collaboration
00:18:21 --> 00:18:25: between landlords and tenants in the form of green visas.
00:18:25 --> 00:18:29: It's also really key that you're not only focused on
00:18:29 --> 00:18:33: the real estate industry, but we also involve for the
00:18:33 --> 00:18:33: user.
00:18:34 --> 00:18:37: And last but not least, keep keep finding #1 is
00:18:37 --> 00:18:40: really, really key to keep that in mind and one
00:18:41 --> 00:18:45: important message which we learned in this yeah mapping
exercise.
00:18:46 --> 00:18:51: Yeah. For the sustainability strategy to be successful, the
leadership
00:18:51 --> 00:18:55: must focus resources to the ESG frameworks and standards most
00:18:56 --> 00:19:00: relevant to the stakeholders and engage the entire
organization to
00:19:00 --> 00:19:04: minimize risk and maximize impact. And this is actually the
00:19:04 --> 00:19:09: ESG transformation is a global development. It's only at the
00:19:09 --> 00:19:11: beginning of this development.
00:19:11 --> 00:19:15: And what we can see here is that it's impacting
00:19:15 --> 00:19:19: any business and any area of the business and all
00:19:19 --> 00:19:24: the various processes. So it's very important for businesses, asset
00:19:24 --> 00:19:28: managers, we use that company to keep that in mind
00:19:28 --> 00:19:33: and to not underestimate, yeah, the resources and the investment

00:19:33 --> 00:19:35: which is required here.

00:19:37 --> 00:19:41: We can go quickly just conscious of time to the

00:19:41 --> 00:19:45: to the case studies. So on this slide you actually

00:19:45 --> 00:19:49: see the journey the data needs to to make to

00:19:49 --> 00:19:54: reach its its its final destination. So coming from the

00:19:55 --> 00:20:00: asset and actually data needs to become information and on

00:20:00 --> 00:20:04: the right hand side you see actually yeah the five

00:20:04 --> 00:20:06: case studies.

00:20:07 --> 00:20:13: Focusing on the different steps of the data data journey,

00:20:13 --> 00:20:18: say you can go to the next slide and then

00:20:18 --> 00:20:22: so yeah, thank you also for now from CBE for

00:20:23 --> 00:20:29: providing incredible insight on CBE. I am own EC

00:20:29 --> 00:20:32: management

00:20:29 --> 00:20:32: team which also works.

00:20:32 --> 00:20:38: Closely together with the other, with any other team in

00:20:38 --> 00:20:44: the company and also yeah, started like an EC hotline

00:20:44 --> 00:20:47: and to build in a systematic way.

00:20:48 --> 00:20:53: Know how then looking at Azula's case studies focusing on

00:20:54 --> 00:20:58: graspy and there were also two asset classes in the

00:20:58 --> 00:21:02: focus which are not usually in yeah, the graspy.

00:21:05 --> 00:21:09: In the Grassby scope. So it was rented residential and

00:21:09 --> 00:21:14: resort hotel. And the case study shows in an impressive

00:21:14 --> 00:21:18: way how the yeah, the score can be improved and

00:21:18 --> 00:21:22: actually how yeah the data can be collected over a

00:21:22 --> 00:21:26: smart tool. Then the Manulife case study is another case

00:21:26 --> 00:21:29: study looking at an in house.

00:21:30 --> 00:21:34: Solution with 15 standards and which have been reduced to

00:21:34 --> 00:21:37: 4 standards in the end to make it more practical

00:21:37 --> 00:21:41: than looking at the high scale study focusing on collaboration

00:21:41 --> 00:21:45: with the tenants and also looking at smart meters.

00:21:45 --> 00:21:49: And to the, yeah engagement is key safe and and

00:21:50 --> 00:21:54: collaboration with the tenant is key to really get

00:21:54 --> 00:21:59: an overview on the performance of the building. And last

00:21:59 --> 00:22:02: but not least the EXA I asked I am case

00:22:02 --> 00:22:07: studies focusing on on the camp tool and what opportunity

00:22:07 --> 00:22:13: actually it provides in relation to your decarbonization

00:22:15 --> 00:22:18: strategy and.

00:22:15 --> 00:22:18: With this, I would like to, yeah, close with with

00:22:18 --> 00:22:22: a quote from from Justin, from AXA actually. So what

00:22:22 --> 00:22:26: really is required here is collaboration as said before for

00:22:26 --> 00:22:30: the industry to work together and actually collaboration is the

00:22:30 --> 00:22:34: new competition. And with that I would like to encourage

00:22:34 --> 00:22:38: you to continue that. And I'm also, yeah, looking forward

00:22:38 --> 00:22:41: to the to the discussion right now and handing back

00:22:41 --> 00:22:42: to you Baha.

00:22:48 --> 00:22:52: Yes, thank. Thank you very much Christian for this

00:22:52 --> 00:22:56: comprehensive

00:22:56 --> 00:23:01: overview and providing the main highlights and challenges

00:23:01 --> 00:23:04: together with

00:23:04 --> 00:23:07: the background information on the methodology, which I

00:23:07 --> 00:23:12: believe also

00:23:12 --> 00:23:17: very important to touch upon. We will now move to

00:23:17 --> 00:23:22: the panel session to go into more deeper discussion on

00:23:22 --> 00:23:28: the current and evolving ESE regulatory and departing

00:23:28 --> 00:23:34: landscape.

00:23:34 --> 00:23:39: We also aim to touch upon how this study could

00:23:39 --> 00:23:41: be helpful for the industry in a practical way. I

00:23:41 --> 00:23:45: kindly ask our speakers to turn on their cameras. Yeah,

00:23:45 --> 00:23:50: Many thanks to all our panelists for joining us today.

00:23:50 --> 00:23:54: It's great to have you all. Let me first introduce

00:23:54 --> 00:23:59: them very briefly.

00:23:59 --> 00:24:05: I'm extremely pleased to be joined by Sila Berman. Sila

00:24:05 --> 00:24:07: is the Vice President Senior Writer at CVRA Investment

00:24:07 --> 00:24:12: Management.

00:24:12 --> 00:24:17: Welcome Sila. And we have We are pleased to have

00:24:17 --> 00:24:23: Reagan Reagan Summit. Reagan is the head of

00:24:23 --> 00:24:28: Sustainability, Real

00:24:28 --> 00:24:32: Estate Equity and Infrastructure at Manulife Investment

00:24:32 --> 00:24:35: Management. Welcome Reagan.

00:24:35 --> 00:24:41: We are happy to have you here.

00:24:41 --> 00:24:47: We are also joined by Esther Ahn. She has kindly

00:24:47 --> 00:24:51: accepted to join the discussion today. She's the Chef, Chief

00:24:51 --> 00:24:55: Sustainability Officer at City Developments Limited and she's

00:24:55 --> 00:25:00: based in

00:25:00 --> 00:25:04: Singapore. Welcome Esther and plus but not least, Nela Nela

00:25:04 --> 00:25:05: Kirer from BMP Pariba, the estate. She's the Head of

00:25:05 --> 00:25:10: Sustainability and CSR. Welcome Nela.

00:25:10 --> 00:25:16: So before we start, we have two polling questions very,

00:25:16 --> 00:25:22: very quickly for the audience, just to get some understanding

00:25:22 --> 00:25:28: on how you view the ESG landscape. So the first

00:25:28 --> 00:25:34: question is about your view on the overall scope and

00:25:34 --> 00:25:40: evolution of the ESG reporting landscape. Yeah, is it all

00:25:40 --> 00:25:46: clear or is it complex as we see but still

00:25:46 --> 00:25:52: possible to?

00:25:52 --> 00:25:58: Be up, keep up to date? Or is it very

00:25:58 --> 00:26:04: complex and difficult to follow? Or you could also say

00:25:16 --> 00:25:22: extremely complex or yeah, maybe you don't have an idea.

00:25:22 --> 00:25:28: You can also have option to choose that, yeah, I'm

00:25:28 --> 00:25:34: looking to my colleagues from ULI, maybe we can show

00:25:34 --> 00:25:36: the results already.

00:25:40 --> 00:25:45: So the results are fully aligned with the results of

00:25:45 --> 00:25:50: the report. So we see that it is complex, but

00:25:50 --> 00:25:56: I'm also happy to see that 41% of the audience

00:25:56 --> 00:26:01: thinks that it's also possible to stay up to date

00:26:01 --> 00:26:06: by regularly keeping an eye on it. Let's move to

00:26:06 --> 00:26:08: the second one. So.

00:26:10 --> 00:26:14: As you heard from from Kristen, we had five categories

00:26:14 --> 00:26:18: in the report for the ESG reporting frameworks. Just to

00:26:18 --> 00:26:22: get your experience on this to the to understand that

00:26:22 --> 00:26:26: does your company use one or more of the sustainable

00:26:26 --> 00:26:31: to reporting frameworks below. So we have the core ones

00:26:31 --> 00:26:35: such as SASB, GRI, we have thematic reporting standards

00:26:35 --> 00:26:36: such

00:26:37 --> 00:26:41: as TCFT.

00:26:41 --> 00:26:45: We have the regulation obviously we provided here

00:26:45 --> 00:26:48: European ones,

00:26:48 --> 00:26:53: but you can consider the global ones as well industrial

00:26:53 --> 00:26:56: driven reporting standards as in April as A and as

00:26:56 --> 00:26:58: a benchmark race and principal based commitments like PRI

00:27:11 --> 00:27:15: or

00:27:15 --> 00:27:19: you can choose none of the above or you can

00:27:19 --> 00:27:23: also say you don't have an idea on this.

00:27:23 --> 00:27:29: Yes. Can we can we see the results please? Ohh,

00:27:29 --> 00:27:34: it's very, very mixed as the IT shows the the,

00:27:34 --> 00:27:39: the landscape actually of the of the report. So we

00:27:39 --> 00:27:44: see GRI type of core reporting standards, thematic ones. The

00:27:44 --> 00:27:47: regulation is obviously the majority. And yeah, I'm also happy

00:27:47 --> 00:27:51: to see that the industry reporting standards is also used.

00:27:51 --> 00:27:56: Thank. Thank you very much for for the answers that

00:27:56 --> 00:28:00: gives us an idea for our discussion also and I

00:28:00 --> 00:28:04: would like to remind the participants that we have a

00:28:04 --> 00:28:08: chatbox function for your questions. If you have any

00:28:08 --> 00:28:09: questions

00:28:09 --> 00:28:14: during the panel discussion, please feel free to drop your

00:28:14 --> 00:28:19: questions in the chatbox when they come in. So let

00:28:19 --> 00:28:24: me turn back to our panelists. My first question is

00:28:24 --> 00:28:29: about the.

00:28:29 --> 00:28:34: General views on the study Many of you supported the

00:28:34 --> 00:28:39: project from the very early stages by joining the discussions

00:28:19 --> 00:28:25: in the steering committee meetings and regularly providing feedback. How

00:28:25 --> 00:28:29: does the end report end product compared to your expectations

00:28:29 --> 00:28:33: upfront? What are your views in general on this? Yeah,

00:28:33 --> 00:28:37: may I start with Nella perhaps? Would you like to

00:28:37 --> 00:28:38: go first?

00:28:38 --> 00:28:43: Sure, sure. Thank you, Bihar. Good evening, everyone. So first

00:28:43 --> 00:28:46: of all, I would say that the report is very,

00:28:46 --> 00:28:50: very much practical. So the first thing that I would

00:28:50 --> 00:28:53: do personally in my organization is to share it. And

00:28:54 --> 00:28:58: even with some extraction of the findings and some screenshots,

00:28:58 --> 00:29:02: we can definitely get very relevant information. So it's really

00:29:03 --> 00:29:05: practical and it's not so common.

00:29:06 --> 00:29:10: To have reached such level of clarity to to consolidate

00:29:10 --> 00:29:14: such complex framework. So I'm very happy about it. So

00:29:14 --> 00:29:19: I will definitely present it and I encourage everybody to

00:29:19 --> 00:29:22: read it and review and then I would say that

00:29:22 --> 00:29:26: it will be extremely helpful and it will support and

00:29:26 --> 00:29:30: confirm the way we have started to work at least

00:29:30 --> 00:29:35: at BNP Perry Barim and potentially within the other organization.

00:29:36 --> 00:29:40: Meaning, focusing on the data. That's also what the report

00:29:40 --> 00:29:44: is confirming. Choosing a framework compared to others and not

00:29:44 --> 00:29:49: targeting everything doesn't make sense, so the report is also

00:29:49 --> 00:29:54: confirming it and trying to map regulation and voluntary aspects.

00:29:54 --> 00:29:55: Is still.

00:29:55 --> 00:29:58: A complex element which is also described.

00:29:58 --> 00:30:02: Within the report, so it will support us in demonstrating

00:30:02 --> 00:30:07: that it's not always straightforward to compare building certification and

00:30:07 --> 00:30:10: make the link with SFDR, for example, so practical report,

00:30:10 --> 00:30:14: easy to read and a very strong summary of everything

00:30:14 --> 00:30:15: that exists for me.

00:30:17 --> 00:30:19: Thank you very much, Nela. It's great to hear that

00:30:19 --> 00:30:20: you found it very practical.

00:30:21 --> 00:30:24: Yeah, that. That. It took us 1 1/2 years to

00:30:24 --> 00:30:28: put this together. But yeah, I'm happy to hear that.

00:30:28 --> 00:30:32: Reagan, would you like to go second, please?

00:30:33 --> 00:30:36: Hi, everyone. Thank you for being here and it's just
00:30:37 --> 00:30:40: great to see so many calling into this webinar. I
00:30:40 --> 00:30:43: think it's a great sign of the interest that exists
00:30:43 --> 00:30:47: within the real estate industry to advance sustainability. I've
found
00:30:47 --> 00:30:47: the.
00:30:48 --> 00:30:52: Court findings, excellent. I think we had a great overview
00:30:52 --> 00:30:55: from Christian at the top and I think one of
00:30:55 --> 00:31:00: the biggest takeaways is that it reflects something that those
00:31:00 --> 00:31:04: of us that have been working within sustainability in real
00:31:04 --> 00:31:08: estate for a while now have known is that real
00:31:08 --> 00:31:11: estate strength is likely also its weakness.
00:31:11 --> 00:31:15: There is an enormous number of certifications that have
evolved
00:31:15 --> 00:31:17: over the years in a true effort to try and
00:31:18 --> 00:31:21: actually address some of these large scale issues. Bihar that
00:31:21 --> 00:31:24: you that you spoke of at the top, social inequality,
00:31:24 --> 00:31:28: health and wellbeing. You know, climate change, climate risk.
00:31:29 --> 00:31:33: So you see so many certifications across the board. Real
00:31:33 --> 00:31:36: estate also is an industry that has access to unbelievable
00:31:36 --> 00:31:40: amounts of data. You can have data of multiple building
00:31:40 --> 00:31:44: meter data. You can have, you know, individual tenant data.
00:31:44 --> 00:31:47: You can have data on, you know, temperatures in rooms
00:31:47 --> 00:31:50: across your portfolio. But in light of all of that,
00:31:50 --> 00:31:53: what this report is able to do is summarize and
00:31:54 --> 00:31:55: start the conversations.
00:31:56 --> 00:32:00: Are we actually achieving the outcomes that we want?
Because
00:32:00 --> 00:32:03: at the end of the day, I think it's starting
00:32:03 --> 00:32:08: those conversations, whether it's with your investor
membership, your stakeholders,
00:32:08 --> 00:32:11: your tenants, what is the outcome you want to achieve
00:32:11 --> 00:32:14: and then how do we use this, you know, this.
00:32:15 --> 00:32:18: Framework and all of these things at our disposal to
00:32:18 --> 00:32:21: achieve those outcomes and the outcomes, you know, the
outcomes
00:32:22 --> 00:32:25: here for Manulife Investment Management may vary from the
outcomes
00:32:25 --> 00:32:28: you know that CBRE or my colleagues in Singapore might
00:32:28 --> 00:32:31: be looking for. And I think that's one of the
00:32:31 --> 00:32:34: strengths of this report is that it allows us to
00:32:34 --> 00:32:36: start having those conversations.
00:32:38 --> 00:32:41: Thank you very much. They're going, yeah, I actually at

00:32:41 --> 00:32:43: the very beginning we were hoping to achieve.
00:32:44 --> 00:32:49: Like an agreed set of reporting is standards and KPIs
00:32:49 --> 00:32:53: for the real estate industry. But yeah at the end
00:32:53 --> 00:32:58: we with the report we see that the main highlight
00:32:58 --> 00:33:03: is that we cannot have one-size-fits-all reporting. So and
that's
00:33:03 --> 00:33:08: fine that that's fine and we just need to understand
00:33:08 --> 00:33:13: the specific needs for for the industry that's the main.
00:33:13 --> 00:33:17: One of the main highlights from the report. So Esther,
00:33:17 --> 00:33:20: would you do you like to provide your perspective maybe
00:33:20 --> 00:33:22: on the on the overview?
00:33:23 --> 00:33:27: Yeah, hi, good thing from Singapore. Thank you for having
00:33:27 --> 00:33:29: me to share a little bit of the, you know
00:33:29 --> 00:33:33: Asian perspective and I think for sustainability practitioners
our life
00:33:33 --> 00:33:35: is really not not easy and.
00:33:36 --> 00:33:39: There's no one size fit or personally I have been
00:33:39 --> 00:33:43: there sustainability journey for, you know, 20 years now and
00:33:43 --> 00:33:47: I just issued the 16th sustainability report last week and
00:33:47 --> 00:33:50: it is really very, you know, not a simple journey
00:33:50 --> 00:33:54: and I like what Christian just presented. Definitely it's not
00:33:54 --> 00:33:56: easy to find once you know.
00:33:57 --> 00:34:02: Framework that can summarize everything and if you have
actually
00:34:02 --> 00:34:06: read this report, rate the rater report that was conducted
00:34:06 --> 00:34:09: by in 2020 by ERM. As of 2018, there were
00:34:09 --> 00:34:15: more than 600 ESG ratings ranking Sustainability reporting
framework 600
00:34:15 --> 00:34:19: over and it has since grown. You know tremendously as
00:34:19 --> 00:34:22: you know after you know over the last couple of
00:34:22 --> 00:34:24: years after COVID.
00:34:24 --> 00:34:28: Sustainability is becoming stream in every part of the world.
00:34:28 --> 00:34:30: I don't think it, you know, it's the same in
00:34:30 --> 00:34:33: whether it's Europe, US or you know Asia and a
00:34:33 --> 00:34:36: lot of regulators have stepped up also to you know.
00:34:38 --> 00:34:42: So exchanges, similarly in Singapore, we have stepped up a
00:34:42 --> 00:34:46: lot and the mandatory reporting has you know, been
implemented
00:34:46 --> 00:34:49: since 2017 and now it's adding even more apart from
00:34:49 --> 00:34:53: GRISSTCFD and now we're looking at, you know, the
TNFD
00:34:53 --> 00:34:56: as well and of course CCDP and we are all,
00:34:56 --> 00:34:59: you know, trying to survive in this hot soup of

00:34:59 --> 00:35:03: acronym and alphabets, which is really not easy. And of
00:35:03 --> 00:35:06: course investors are also, you know, raising the bar.
00:35:07 --> 00:35:10: And of course Bankers as well and in the over
00:35:10 --> 00:35:14: the last couple of Corp, we all have seen the
00:35:14 --> 00:35:18: net zero alliance apart from investor, we also see the
00:35:18 --> 00:35:22: Bankers and also insurance company. So everyone is look at
00:35:22 --> 00:35:27: the North Star that is actually decarbonization towards.
00:35:27 --> 00:35:30: Net 0 So in the building sector we have high
00:35:30 --> 00:35:33: carbon impact of, you know, we all know that we
00:35:33 --> 00:35:37: account for more than 40% of greenhouse gas emission
globally
00:35:37 --> 00:35:40: and how we design, build and manage our property, you
00:35:40 --> 00:35:43: make a huge difference. But how can we just now
00:35:43 --> 00:35:47: you know, the presenter also say that we can't manage
00:35:47 --> 00:35:48: what we can not measure.
00:35:49 --> 00:35:52: So data is very important that in our industry we
00:35:52 --> 00:35:56: are dealing with the whole ecosystem of many, many you
00:35:56 --> 00:35:59: know elements whether it is from the the one who
00:35:59 --> 00:36:02: sell the land and then you know that we deal
00:36:02 --> 00:36:07: with like contractors, architect, engineer, consultants and
down the line
00:36:07 --> 00:36:11: we have you know consumer tenants as well. We have
00:36:11 --> 00:36:15: implemented our, you know 100% Greenleaf since 2017, but
we
00:36:15 --> 00:36:19: are still in the journey to educate more and supply.
00:36:19 --> 00:36:22: Teaching is a very big challenge because their footprint is
00:36:22 --> 00:36:25: my footprint. So how do we get the data and
00:36:25 --> 00:36:28: how do we make sure that it is accurate. It
00:36:28 --> 00:36:31: is you know, audited and validated is very, very, you
00:36:31 --> 00:36:34: know, challenging and we are still learning by doing it.
00:36:35 --> 00:36:37: And in fact I like the report very much, very
00:36:37 --> 00:36:41: brave approach, but very important to provide some of the
00:36:41 --> 00:36:44: you know, some clarity, you know to help us to
00:36:44 --> 00:36:47: navigate, you know to to help many companies to navigate
00:36:47 --> 00:36:49: in this whole maze of.
00:36:50 --> 00:36:53: Various standards and framework and there was just now
one
00:36:53 --> 00:36:57: finding also say that green building standards cannot you
know
00:36:57 --> 00:37:01: replace the all these reporting framework. And I totally agree
00:37:01 --> 00:37:06: with that because they're actually apart from green building
standards
00:37:06 --> 00:37:09: and the rating we also have to look at various

00:37:09 --> 00:37:12: you know just now we mentioned you know the GRI,
00:37:12 --> 00:37:15: the TCFBFD&SSB and the PRI and and all and of
00:37:15 --> 00:37:19: course now nature based solution is very important so but.
00:37:19 --> 00:37:21: One thing I have learned is like apart from you
00:37:21 --> 00:37:25: know the sustainability reporting is not an operational report,
it
00:37:25 --> 00:37:28: is also a strategic report. So we have to look
00:37:28 --> 00:37:31: at not just about the standards and the metrics and
00:37:31 --> 00:37:34: not just about corporate governance or risk management, but
you
00:37:34 --> 00:37:37: also have to look at strategy, You look don't look
00:37:37 --> 00:37:40: at the past, not just present, but also look at
00:37:40 --> 00:37:43: the future. So the double materiality, you know perspective is
00:37:44 --> 00:37:46: very important. We have to look at the value we
00:37:46 --> 00:37:48: create for our investors.
00:37:48 --> 00:37:51: And and also have to look at the impact that
00:37:51 --> 00:37:54: we create you know to the planet and the people.
00:37:54 --> 00:37:57: So this is a complex, you know a subject but
00:37:57 --> 00:38:00: I like the smell, the polls. So that yes it's
00:38:00 --> 00:38:03: complex but there is hope and there is actually making
00:38:03 --> 00:38:07: some we see some progress on the so-called consolidation
and
00:38:07 --> 00:38:11: harmonization. And personally I will always advocate for the
two
00:38:11 --> 00:38:15: pillars approach which is actually ISSB and GRI looking at
00:38:15 --> 00:38:17: both you know impact and value.
00:38:18 --> 00:38:18: Thank you.
00:38:19 --> 00:38:22: Thank you very much. Yeah, it is also, yeah, very
00:38:22 --> 00:38:26: important to have this double materiality and we hear that
00:38:26 --> 00:38:29: a lot in several frameworks now.
00:38:30 --> 00:38:35: Cela Yeah, Would you like to have the last views
00:38:35 --> 00:38:36: on the report?
00:38:37 --> 00:38:40: Yeah. Thank you, Bahar. And so excited to be here
00:38:40 --> 00:38:43: and a part of this. I think this is a
00:38:43 --> 00:38:47: groundbreaking study I think both for the novice and for
00:38:47 --> 00:38:51: the experienced in terms of helping all of us navigate
00:38:51 --> 00:38:55: all the the standards and the frameworks and the
certifications.
00:38:56 --> 00:39:00: What I liked about the report is very clear. It
00:39:00 --> 00:39:06: goes through each standard and framework and certification,
describing how
00:39:06 --> 00:39:10: it can be used, why it's important, what it shows.
00:39:10 --> 00:39:15: And I I think that's so important because people, investors

00:39:15 --> 00:39:20: and and consultants and others are asking for information, but

00:39:20 --> 00:39:21: not necessarily.

00:39:21 --> 00:39:25: We don't know that they're actually using that information. So

00:39:26 --> 00:39:29: the fact that they can be really strategic looking through

00:39:29 --> 00:39:33: and seeing what really matters to them and what's material

00:39:33 --> 00:39:36: to them and to their business and ask only that

00:39:36 --> 00:39:40: based on that and and implement those standards and regulations

00:39:40 --> 00:39:44: that are important to the business based on their geography,

00:39:44 --> 00:39:47: the sectors that they're in, all that I think is

00:39:47 --> 00:39:50: really critical what I really like.

00:39:50 --> 00:39:54: Is on page 60 of the report is a self-assessment.

00:39:54 --> 00:39:59: I I think it provides some really important questions for

00:39:59 --> 00:40:03: a manager organization to go through and to determine to

00:40:03 --> 00:40:07: help them determine what is material to them. And then

00:40:07 --> 00:40:11: also I want to encourage everyone to read the case

00:40:11 --> 00:40:16: studies because those are the best practices, those of us

00:40:16 --> 00:40:19: who have been doing this for quite some time.

00:40:20 --> 00:40:25: And we've been through the trenches and have created solutions

00:40:25 --> 00:40:30: based on the challenges that we were faced with. And

00:40:30 --> 00:40:34: I think those are really important for everyone to really

00:40:34 --> 00:40:38: read and to see how they can use those best

00:40:38 --> 00:40:42: practices or adapt them to their own circumstance.

00:40:43 --> 00:40:45: Thank you very much and thank you for.

00:40:46 --> 00:40:51: Yeah, highlighting the self-assessment also it's very important. And the

00:40:51 --> 00:40:55: case studies, we had one from CVRE and also one

00:40:55 --> 00:40:59: from Manolife, we appreciate the support on that. So if

00:40:59 --> 00:41:03: you move to the second question, I would like to

00:41:03 --> 00:41:06: a little bit go deeper on the challenges that we

00:41:06 --> 00:41:10: already mentioned, a couple of them and we have been

00:41:10 --> 00:41:14: talking about the complexity in the ESG reporting practice.

00:41:15 --> 00:41:20: From your organization's perspective, what are your key operational challenges

00:41:21 --> 00:41:24: when it comes to EST reporting and how have you

00:41:24 --> 00:41:28: been keeping on top of the increasingly complex landscape of

00:41:28 --> 00:41:32: EST reporting Again, maybe still you can you can continue

00:41:32 --> 00:41:36: with that question maybe also if you can just provide,

00:41:36 --> 00:41:39: yeah, you can also mention to your case study if

00:41:39 --> 00:41:41: you like to of course.

00:41:42 --> 00:41:45: Happy to do so. And also to respond to the
00:41:45 --> 00:41:50: question that was asked about whether we see a
diminishment
00:41:50 --> 00:41:55: in ESG interest in the current environment and we do
00:41:55 --> 00:42:00: not see a diminishment of interest. What I actually we've
00:42:00 --> 00:42:05: seen in the last few years is an exponential increase
00:42:05 --> 00:42:09: in interest by consultants by investors in ESG.
00:42:09 --> 00:42:13: And part of it is, is the regulatory push, but
00:42:13 --> 00:42:17: part of it is just the what's happening in our
00:42:17 --> 00:42:22: environment today and the understanding that we all need to
00:42:22 --> 00:42:27: participate and real estate accounts for 40% of emissions.
00:42:27 --> 00:42:31: So we know as an industry that we need to
00:42:31 --> 00:42:36: do something to help the environment. What we saw in
00:42:36 --> 00:42:43: at CBRE in 2019 CBRE investment management completed
50 reporting
00:42:43 --> 00:42:49: and requests for information, 50 for the globally in 2022
00:42:49 --> 00:42:54: at sorry, in 2020 in the midst of the pandemic
00:42:54 --> 00:42:57: that tripled to 156 in 2021.
00:42:57 --> 00:43:02: We completed 500 and in 2022 last year we completed
00:43:02 --> 00:43:08: 800 and those are 800 requests for information and including
00:43:08 --> 00:43:15: also the reporting frameworks huge exponential increase and
what that
00:43:15 --> 00:43:20: requires is a huge you know that requires people to
00:43:20 --> 00:43:25: to complete that. So what was talked about in the
00:43:25 --> 00:43:26: study is.
00:43:27 --> 00:43:32: The understanding and need for resources not only for our
00:43:32 --> 00:43:37: sustainability teams, right, that are actually doing the the
work
00:43:37 --> 00:43:43: on the ground in terms of decarbonization and other
sustainability
00:43:43 --> 00:43:47: efforts, but also in being able to respond to the
00:43:48 --> 00:43:51: request for information and also to to.
00:43:52 --> 00:43:58: To fulfill all the reporting requirements. So there's
tremendous reporting
00:43:58 --> 00:44:03: burden and I'm still hopeful that there's that this report
00:44:03 --> 00:44:07: is a jumping off point to us leading being a
00:44:07 --> 00:44:12: leader in pushing for some kind of solution to that
00:44:12 --> 00:44:17: reporting burden so that we can be both transparent and
00:44:17 --> 00:44:17: also yet.
00:44:19 --> 00:44:23: Be able to have the capacity to get the work
00:44:23 --> 00:44:28: done and to provide the information that's needed. Also our
00:44:28 --> 00:44:32: sustainability team to be able to be consistent in our
00:44:32 --> 00:44:37: 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 ESG risk and

00:44:51 --> 00:44:56: opportunities. We they created a tool for asset management. They

00:44:56 --> 00:45:01: created a tool for measuring our progress toward our targets.

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 --> 00:45:13: on.

00:45:14 --> 00:45:17: That, yeah and thank, thank you very much, Sila. And

00:45:17 --> 00:45:21: as we are discussing on the, yeah, specifically on the

00:45:22 --> 00:45:27: challenges, Regan you mentioned the challenges specific for the real

00:45:27 --> 00:45:28: estate industry.

00:45:28 --> 00:45:32: And I just wonder your views on how you compare

00:45:32 --> 00:45:35: industry with other asset classes when it comes to ESU

00:45:36 --> 00:45:39: reporting and the challenges that we face. I, I I'm

00:45:39 --> 00:45:43: asking this because there is this perception that.

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 --> 00:45:56: the port results today, it shows that we took important

00:45:56 --> 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, Behara. 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 --> 00:46:36: data.

00:46:36 --> 00:46:42: And we really understand how we can mitigate those

00:46:42 --> 00:46:47: emissions.

00:46:42 --> 00:46:47: The solutions are actually out there and available to us.

00:46:47 --> 00:46:51: And So what I see in the industry is that

00:46:51 --> 00:46:51: we.

00:46:52 --> 00:46:55: Have done ourselves a disservice because we have a lot

00:46:55 --> 00:46:59: of this data, but I don't know whether we're interpreting

00:46:59 --> 00:47:02: the data, whether or not we're evaluating the data from

00:47:02 --> 00:47:05: a data quality and you know a data coverage perspective

00:47:05 --> 00:47:09: which the report highlights. I think about that in comparison
00:47:09 --> 00:47:12: to some of the other asset classes out there, whether
00:47:12 --> 00:47:15: or not in real assets in alternatives.
00:47:15 --> 00:47:19: Or even in the public markets, we know that a
00:47:19 --> 00:47:22: lot of the data and ESG metrics out there are
00:47:22 --> 00:47:27: actually estimated and they leverage you know tools and
providers
00:47:27 --> 00:47:31: that provide estimates which in that case if that's all
00:47:32 --> 00:47:35: that's available, if you need to use it, but real
00:47:35 --> 00:47:39: estate often has actual data, we can, we can produce
00:47:39 --> 00:47:44: true missions data on an annual basis and disclose that.
00:47:44 --> 00:47:47: And use that to inform our decision making. And I
00:47:47 --> 00:47:51: think we should celebrate that actually and use that as
00:47:51 --> 00:47:54: a jumping off point to continue our our Rd. towards
00:47:54 --> 00:47:58: decarbonization. I really think the real assets and real estate
00:47:58 --> 00:48:02: have the opportunity to lead in the decarbonization journey
and
00:48:02 --> 00:48:07: the built environment can definitely demonstrate to other
industries how
00:48:07 --> 00:48:09: we can achieve our net zero goals.
00:48:10 --> 00:48:13: Yeah. Thank. Thank you very much so.
00:48:14 --> 00:48:17: Yeah, we sometimes I feel the same. We focus more
00:48:17 --> 00:48:21: on the challenges but not the what we have actually
00:48:21 --> 00:48:25: with the tools the the, the advantages we already have.
00:48:26 --> 00:48:29: So yeah, it's a it's a good perspective Sr. you
00:48:29 --> 00:48:34: already mentioned a couple of challenges on the reporting on
00:48:34 --> 00:48:36: the supply chain side, data side.
00:48:37 --> 00:48:42: Do you see differences when it comes to EST reporting
00:48:42 --> 00:48:47: from a global perspective from maybe Asia Pacific to
Europe?
00:48:47 --> 00:48:52: Are we talking about the same challenges or same same
00:48:52 --> 00:48:54: issues in in this area?
00:48:55 --> 00:48:59: Yeah, definitely. I have the, you know, privilege to be
00:48:59 --> 00:49:03: part of the Uri Asia Pacific, you know, sustainable cities
00:49:03 --> 00:49:08: network and also I care that Uri Singapore Sustainability
Committee.
00:49:08 --> 00:49:11: So we do have a lot of interaction with, you
00:49:11 --> 00:49:14: know, global companies and all that. The world is all
00:49:14 --> 00:49:15: connected.
00:49:15 --> 00:49:18: And we do also have a lot of investor that
00:49:18 --> 00:49:21: is from different part of the world and that is
00:49:21 --> 00:49:24: something that is so important that because we are all
00:49:24 --> 00:49:27: talking about the global climate emergency, we only have

one
00:49:27 --> 00:49:30: planet with wherever you are. So it's the same you
00:49:30 --> 00:49:33: know that we are looking at because especially for real
00:49:34 --> 00:49:36: estate sector we are always you know very proud of
00:49:36 --> 00:49:39: in our sector especially in Asia we are playing a
00:49:39 --> 00:49:42: very key role. We always say that you don't even
00:49:42 --> 00:49:45: need to be a real estate, you know professional but
00:49:45 --> 00:49:45: you.
00:49:45 --> 00:49:49: Have an impact because people spend about 90% indoor
and
00:49:49 --> 00:49:52: you leave work, use a building and you know whether
00:49:52 --> 00:49:55: it is at work, at play, or you know when
00:49:55 --> 00:49:59: you're traveling or for entertainment, everybody has an
impact on
00:49:59 --> 00:50:00: building performance.
00:50:01 --> 00:50:04: So that is also give us the opportunities to engage
00:50:04 --> 00:50:08: a very big ecosystem of stakeholders and of course the
00:50:08 --> 00:50:14: investors, regulators and financiers, all these are actually
very important
00:50:14 --> 00:50:18: stakeholders that we are all looking at because I think
00:50:18 --> 00:50:22: you know now financier also have to look at net
00:50:22 --> 00:50:25: zero. So when you assess an application whether it is
00:50:26 --> 00:50:30: a green bond, green loan or you know sustainability loan
00:50:30 --> 00:50:31: that help us.
00:50:31 --> 00:50:35: To really tap onto resources, energy, you know solutions and
00:50:35 --> 00:50:40: technology to green our build environment we need to
present
00:50:40 --> 00:50:44: very good ESG performance and that is where reporting is.
00:50:44 --> 00:50:48: So come into the picture if we cannot convince our
00:50:48 --> 00:50:52: investors or our bankers that with we have very strong
00:50:52 --> 00:50:57: climate strategy, we have very strong governance policies in
place,
00:50:57 --> 00:51:01: we don't have bought or you know management.
00:51:01 --> 00:51:04: Commitments to the SGI think it will be very hard
00:51:04 --> 00:51:07: for us to really access to, you know, all these
00:51:07 --> 00:51:11: financial support and all and even you know, the business
00:51:11 --> 00:51:14: case has never been stronger if you follow the World
00:51:14 --> 00:51:17: Economic Forum, the global survey risk survey.
00:51:19 --> 00:51:23: Among the top ten risk, the top five are always
00:51:23 --> 00:51:28: climate related whether it is loss of biodiversity or you
00:51:28 --> 00:51:31: know there are a lot of them. And also the
00:51:31 --> 00:51:36: data also show that insured losses is getting higher and
00:51:36 --> 00:51:41: higher each year and climate risk actually will estimate is

00:51:41 --> 00:51:45: to add about \$183 billion to property insurance by 2040.
00:51:46 --> 00:51:50: Yeah. So I think definitely as a building owner and
00:51:50 --> 00:51:54: also building asset manager, building owner and manager,
as a
00:51:54 --> 00:51:58: landlord, we all have a lot of responsibilities to do
00:51:58 --> 00:52:03: to protect not just the infrastructure, but also the people.
00:52:03 --> 00:52:06: And I think one thing we are looking at is.
00:52:06 --> 00:52:10: There are a lot of hope that actually in our
00:52:10 --> 00:52:14: sector we always say that technologies are available, but
whether
00:52:14 --> 00:52:18: we have the real powers to really to apply it
00:52:18 --> 00:52:21: and also find resources to do so, that is very
00:52:21 --> 00:52:26: important. And definitely you know, combining you know, the
willpower
00:52:26 --> 00:52:30: and the technology and also the financial resources, we can
00:52:30 --> 00:52:32: actually you know.
00:52:33 --> 00:52:37: It, you know, to the climate emergency and and and
00:52:37 --> 00:52:40: work towards net zero and win in the global race
00:52:40 --> 00:52:44: to net zero. So there's always solutions and there's always
00:52:44 --> 00:52:45: hope, yeah.
00:52:46 --> 00:52:51: Thank you for this very positive perspective we need that
00:52:51 --> 00:52:54: I I I think I see that there are questions
00:52:54 --> 00:52:58: coming in the check box as well. So one of
00:52:58 --> 00:53:02: them is about the direction of travel for ESC reporting
00:53:02 --> 00:53:07: asking if it is going more towards industry like frameworks
00:53:07 --> 00:53:12: or increase in regulatory driven requirements. Is anyone
wants to
00:53:12 --> 00:53:14: answer this question perhaps?
00:53:19 --> 00:53:24: Say it's a combination of both. We're not seeing everyone
00:53:25 --> 00:53:29: has to meet the regulatory standards, but there's no let
00:53:29 --> 00:53:34: up on having to to again continue with the other
00:53:34 --> 00:53:39: industry standards as well. There's an expectation that we
will,
00:53:39 --> 00:53:42: you know as a leader in this field.
00:53:43 --> 00:53:47: That we will meet those industry as well as regulatory
00:53:47 --> 00:53:48: standards.
00:53:51 --> 00:53:54: Thank you. If I may share from the corporate you
00:53:54 --> 00:53:58: know reports preparer perspective in our framework actually
we do
00:53:59 --> 00:54:02: even have like apart from the thematic you know like
00:54:02 --> 00:54:05: CDP, TCFG, SB, CDSP and and all we also have
00:54:05 --> 00:54:08: the real estate. Of course Grassby is very important for
00:54:08 --> 00:54:11: real estate player like us, but one thing I'm also

00:54:11 --> 00:54:13: very you know a strong.

00:54:13 --> 00:54:17: Long advocate of it is SPTI science based target initiatives

00:54:17 --> 00:54:21: because I think everyone that is too familiar with the

00:54:21 --> 00:54:24: with the term greenwashing. So when we say we touch

00:54:24 --> 00:54:27: to net zero and what targets that we set, I

00:54:27 --> 00:54:31: think the best is actually the you know most credible

00:54:31 --> 00:54:35: you know reduction target is to be backed by science.

00:54:35 --> 00:54:38: So that is why we actually secured the SPTI validated

00:54:39 --> 00:54:42: target since 2018 at that time was aligned with two

00:54:42 --> 00:54:43: degree but.

00:54:43 --> 00:54:47: Two years ago, 2021, after we pledged to World Computing

00:54:47 --> 00:54:51: Council's Net 0 commitment, we actually also look at 1.5

00:54:51 --> 00:54:55: degree and also send it to SPTI for validation. So

00:54:55 --> 00:54:59: I think you know, in order to convince investors and

00:54:59 --> 00:55:05: stakeholders and regulators that your sustainability report is actually credible

00:55:05 --> 00:55:09: and also you know, I think external assurance is important.

00:55:10 --> 00:55:14: Backed by, you know, science is very important, so reporting

00:55:14 --> 00:55:18: have to look at both qualitative, quantitative and also external

00:55:18 --> 00:55:20: validation is very important.

00:55:21 --> 00:55:24: Yeah, thank you. Thank you very much, Esther. So we

00:55:24 --> 00:55:28: talked a lot about the reports and frameworks, but it's

00:55:28 --> 00:55:33: also important we, we mentioned that the action side, the

00:55:33 --> 00:55:37: ESG objectives and strategies, how we make it in action.

00:55:37 --> 00:55:40: And the recent, the most recent IPCC report had a

00:55:40 --> 00:55:44: very clear warning on the climate crisis, stating that the

00:55:44 --> 00:55:48: pace and the scale of climate action are insufficient to

00:55:49 --> 00:55:50: tackle climate change.

00:55:51 --> 00:55:55: Let me turn to Nello. Perhaps would you like to

00:55:55 --> 00:55:58: provide your views on this, how we can make this

00:55:58 --> 00:56:02: ESG reporting landscape more linked to the actions side?

00:56:02 --> 00:56:03: Sure.

00:56:03 --> 00:56:07: First of all, I would really encourage everyone to read

00:56:07 --> 00:56:11: the Executive executive summary of the IPC report because there

00:56:11 --> 00:56:14: is one thing that kind of shocked me is that

00:56:14 --> 00:56:16: the global JG emission peak.

00:56:17 --> 00:56:20: Is not expected by the end of century. For all

00:56:20 --> 00:56:23: the people who talk about net zero, the peak is

00:56:23 --> 00:56:26: expected in 2025. So it means that it's tomorrow. So

00:56:26 --> 00:56:29: it's not the end of the world, absolutely not. But

00:56:29 --> 00:56:33: it means that for the real estate industry, the objective

00:56:33 --> 00:56:36: is not anymore long term, but the short term. So

00:56:36 --> 00:56:39: the graph that we have in the report in Page

00:56:39 --> 00:56:41: 25 from the crime tool.

00:56:41 --> 00:56:45: Showing what is the difference between a light adapter in

00:56:45 --> 00:56:49: terms of carbon pathway and an early adopter is for

00:56:49 --> 00:56:52: me an excellent summary of what should be the next

00:56:52 --> 00:56:57: challenges of the real estate investment management. So we

00:56:57 --> 00:57:00: have

00:56:57 --> 00:57:00: to focus on collecting the data and putting in place

00:57:00 --> 00:57:04: a lot of actions on the buildings very quickly to

00:57:04 --> 00:57:07: make sure we slow down and we decrease the carbon

00:57:07 --> 00:57:10: pathway of our assets and the management.

00:57:11 --> 00:57:15: To be early adopter, to preserve the liquidity, to ensure

00:57:15 --> 00:57:19: the financing that Esther was mentioning and to report

00:57:19 --> 00:57:24: properly

00:57:19 --> 00:57:24: according to different frameworks. So Graz, Pierre, I

00:57:24 --> 00:57:28: depending on

00:57:24 --> 00:57:28: the the, the most relevant one according to our organization.

00:57:28 --> 00:57:32: But according to me and following with the IPCC is

00:57:32 --> 00:57:35: saying we have to focus on putting in place actions

00:57:36 --> 00:57:37: in the very short term.

00:57:38 --> 00:57:41: And this kind of report and exercise should remind us

00:57:41 --> 00:57:45: that we should not be lost completely in translation in

00:57:45 --> 00:57:50: the global regulatory framework or voluntary framework. So

00:57:50 --> 00:57:53: let's focus

00:57:50 --> 00:57:53: on working on the assets and demonstrate it to the

00:57:53 --> 00:57:57: investors and to the markets through many different types of

00:57:57 --> 00:57:58: frameworks.

00:58:04 --> 00:58:09: Thank you. Thank you. Thank you, Nela. Yeah, this is

00:58:09 --> 00:58:15: yeah, very, very important to link that obviously and for

00:58:15 --> 00:58:20: for the reports. Maybe as final thoughts on that I

00:58:20 --> 00:58:24: can turn to Regan this time. Do you think we

00:58:24 --> 00:58:30: are having an achieving or going towards that achievement

00:58:31 --> 00:58:33: towards

00:58:31 --> 00:58:33: the actionable reports or?

00:58:34 --> 00:58:37: Would that be LinkedIn in the reports? I mean, would

00:58:37 --> 00:58:41: ESC reporting framework be helpful to achieve our targets in

00:58:41 --> 00:58:43: the future? What do you think about this?

00:58:45 --> 00:58:49: I think that can be a really useful mechanism to

00:58:49 --> 00:58:53: guide your management practices. I know that you know

00:58:53 --> 00:58:57: many

00:58:53 --> 00:58:57: of us have used Grez for many years, not just

00:58:57 --> 00:59:01: to provide benchmarking of our investments.

00:59:01 --> 00:59:04: But also to provide a road map and highlight the
00:59:04 --> 00:59:08: gaps and opportunities you know and we use that to
00:59:08 --> 00:59:12: inform you know how we can guide our our program
00:59:12 --> 00:59:16: and our management forward, what are the actions that we
00:59:16 --> 00:59:19: need to put in place to maintain you know the
00:59:19 --> 00:59:21: results that we want to see.
00:59:22 --> 00:59:25: And you know in light of that, so Graz you
00:59:25 --> 00:59:28: know is an excellent vehicle. CDP also provides a lot
00:59:29 --> 00:59:32: of guidance from that perspective in terms of identifying you
00:59:33 --> 00:59:36: know gaps and results in a feedback loop. And then
00:59:36 --> 00:59:40: the regulations really are a disclosure mechanism, right. So
you
00:59:40 --> 00:59:44: know regulations are really not to benchmark, but they're just
00:59:44 --> 00:59:48: truly to disclose and put that information back out so
00:59:48 --> 00:59:51: not to get caught up in the regulatory environment.
00:59:52 --> 00:59:56: But truly just to allow that to to disclose where
00:59:56 --> 00:59:59: you're at and how you're doing. You know if I
00:59:59 --> 01:00:03: was starting this journey today, I think one of the
01:00:03 --> 01:00:07: other things is, is that time and that space to
01:00:07 --> 01:00:12: put in those tools and those databases to collect the
01:00:12 --> 01:00:16: information in a seamless way. Some of the participants here
01:00:17 --> 01:00:20: spoke about the the amount of resources needed.
01:00:21 --> 01:00:24: And I think the more we can automate that and
01:00:24 --> 01:00:27: lessen the resources for that, so that we can you
01:00:27 --> 01:00:31: know, spend the time on the actions, spend the time
01:00:31 --> 01:00:35: on you know, asset level decarbonization plans specifically
you know,
01:00:35 --> 01:00:39: to advance and slow down that curve as Nella was
01:00:39 --> 01:00:42: speaking about, that's you know how I would think about
01:00:42 --> 01:00:46: this, you know, reporting and framework journey.
01:00:49 --> 01:00:52: Thank you very much. That actually brings us to the
01:00:52 --> 01:00:55: end of the session. It ended without we know it
01:00:55 --> 01:00:59: actually. So Many thanks to our panelists for for the
01:00:59 --> 01:01:03: great discussion and to all participants. I would like to
01:01:03 --> 01:01:07: also thanks specifically to the organizations it was a pleasure
01:01:07 --> 01:01:10: for in Rev to work with ULI and PRI and
01:01:10 --> 01:01:14: PwC in this project. And special thanks to the steering
01:01:14 --> 01:01:17: committee members for their contribution again.
01:01:18 --> 01:01:23: I think that Christian also mentioned that with with her
01:01:23 --> 01:01:28: presentation. Yeah, it is a really good example of
collaboration
01:01:29 --> 01:01:32: in this area and I see that, yeah, we have
01:01:32 --> 01:01:37: a couple of survey questions for for the audience. We

01:01:37 --> 01:01:40: appreciate that if you can fill it.
01:01:41 --> 01:01:44: And just as a note, the recording of this session
01:01:44 --> 01:01:49: will be available on the associations websites and the report
01:01:49 --> 01:01:52: is already available on our web pages. And I encourage
01:01:53 --> 01:01:56: everyone to read the report for more details and see
01:01:56 --> 01:02:00: if you can use it for your ESG reporting journey.
01:02:00 --> 01:02:03: And please feel free to reach out to us if
01:02:03 --> 01:02:07: you have any questions or feedback. We would appreciate
that.
01:02:07 --> 01:02:10: Thanks again and enjoy the rest of the day. Thank
01:02:10 --> 01:02:11: you.

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