

# NAREIT **2017** **Leader In The Light**

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Sustainable Real Estate Practices

# **Working Forum**





GRESB Real Estate

# 2016 Results | 2017 Outlook



# Strong Industry Support

All major industry associations globally

ANREV



bre



INREV



REALPAC



# Increasing Participant Members

GRESB members include 150+ private equity firms / REITs globally





# Institutional Investor Members

Integrate ESG data | utilize GRESB analytic tools



New in 2017

Aberdeen



actiam



KAMES CAPITAL



AP3 Third Swedish National Pension Fund



COHEN & STEERS



USS

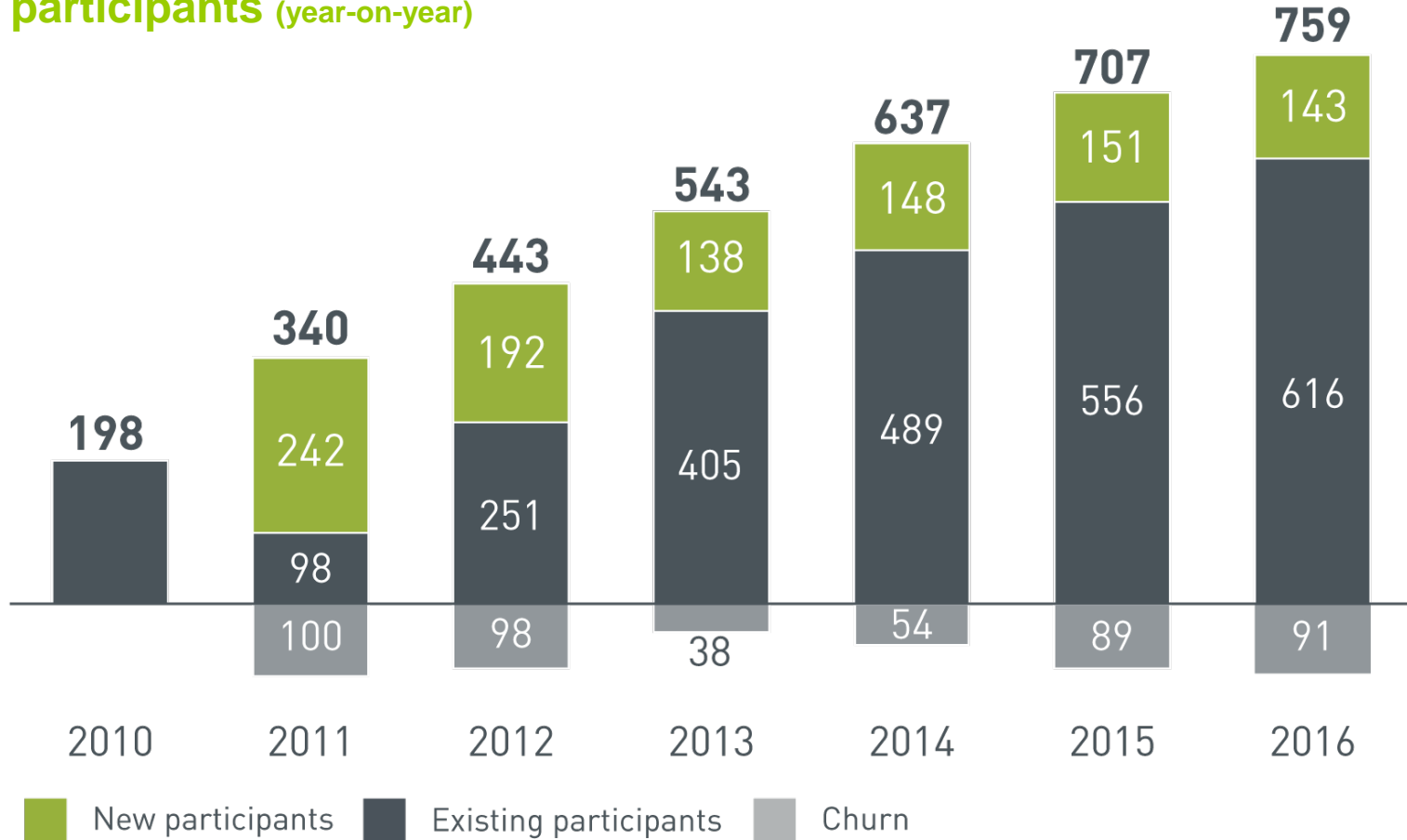


WELLINGTON MANAGEMENT®



# GRESB Participation

Total participants (year-on-year)





# Global Scope

2016 industry coverage



**759 Entities**



**63 Countries**

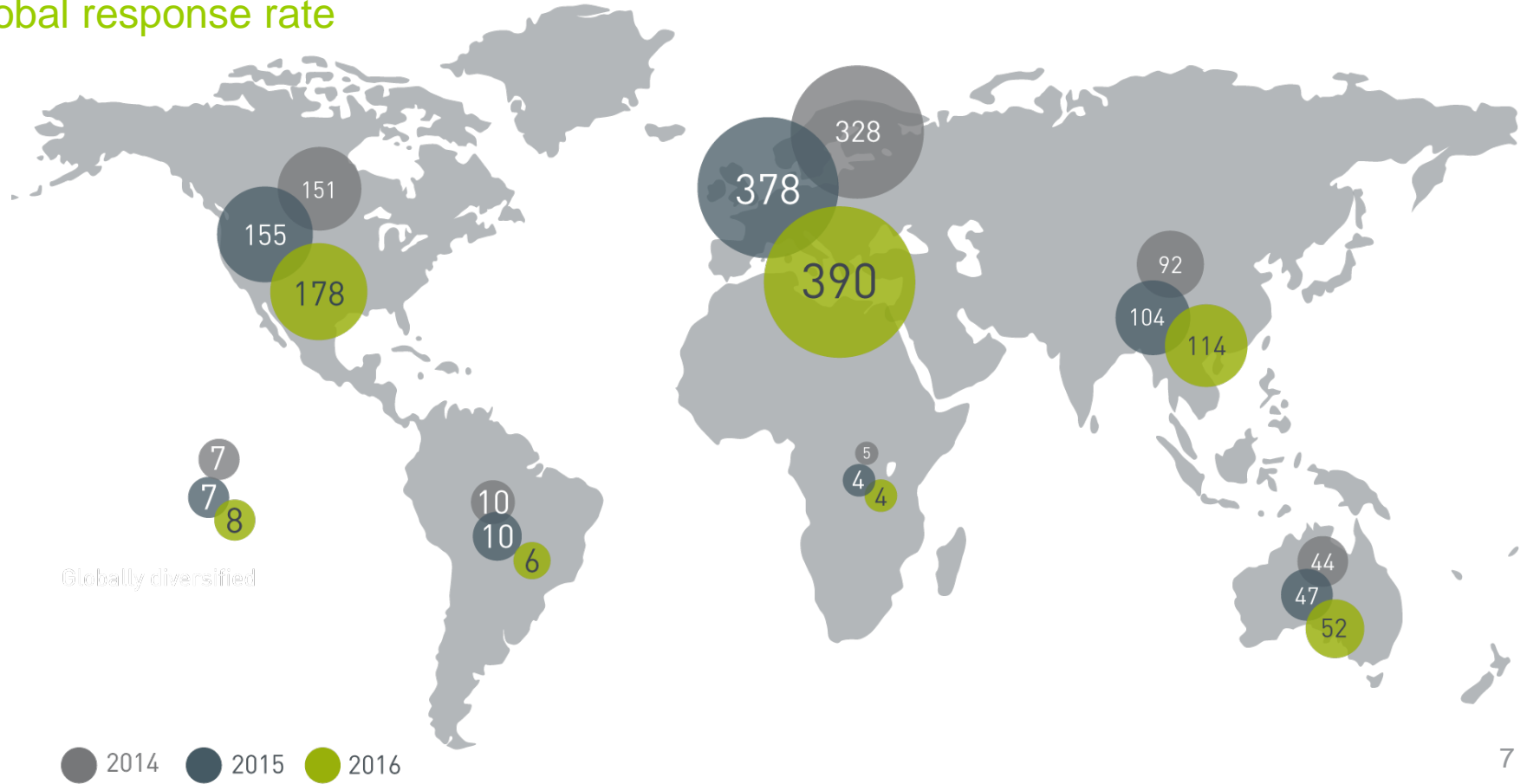


**66,000 Assets**



# Geographic Distribution

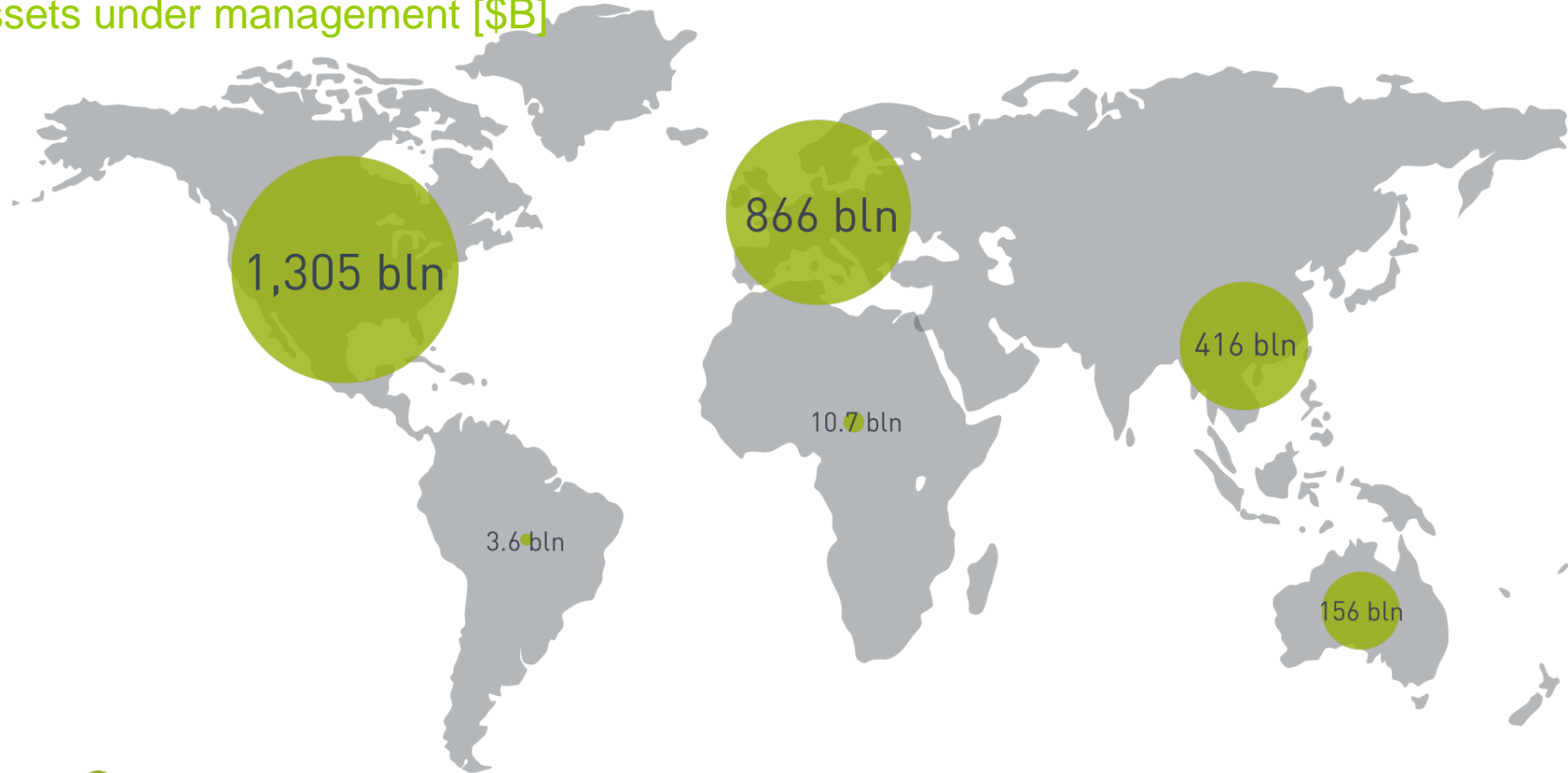
Global response rate





# Investment Capital

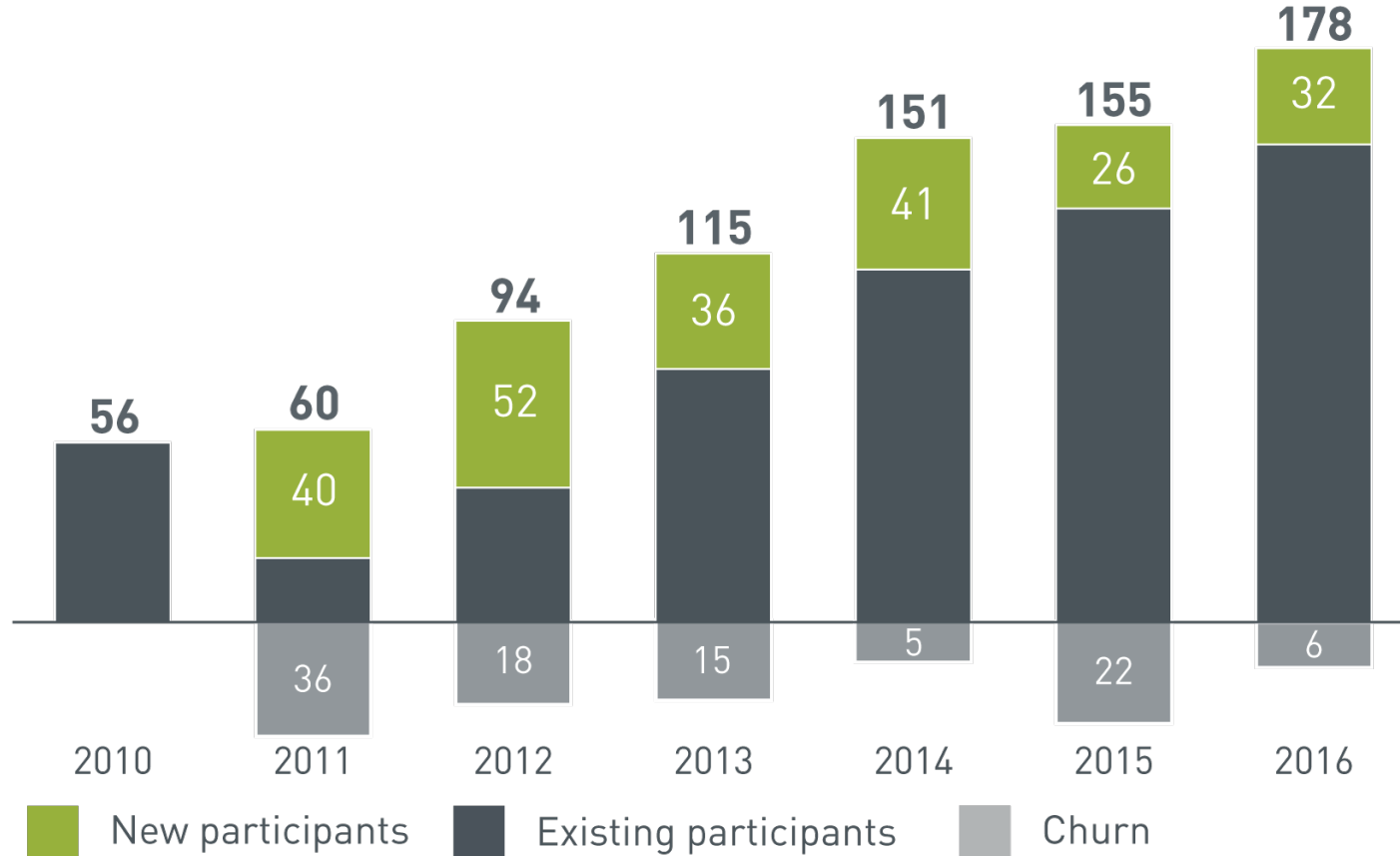
Assets under management [\$B]





# Response Rate North America

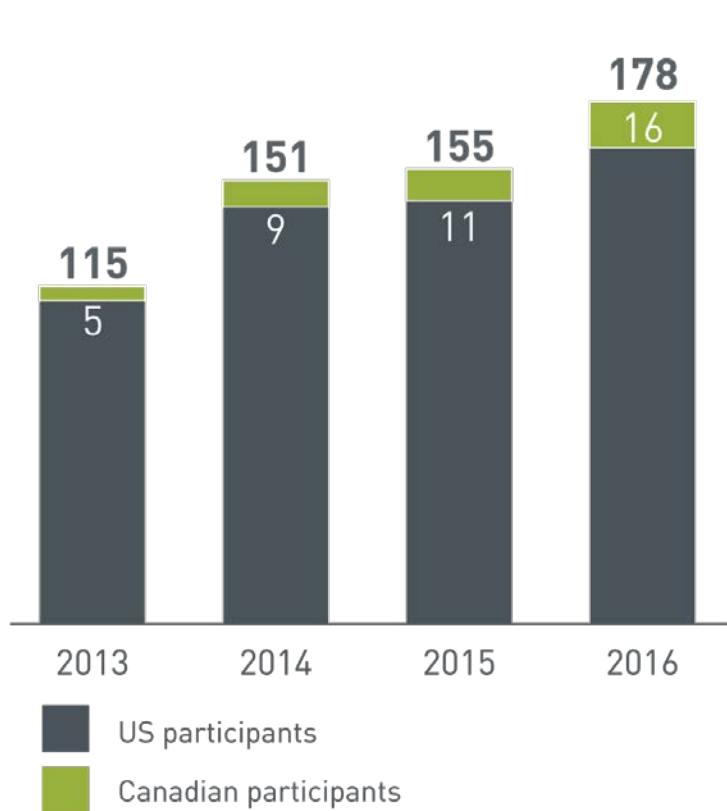
United States and Canada : 2013 to current





# Response Rate North America

## United States :: Listed Companies



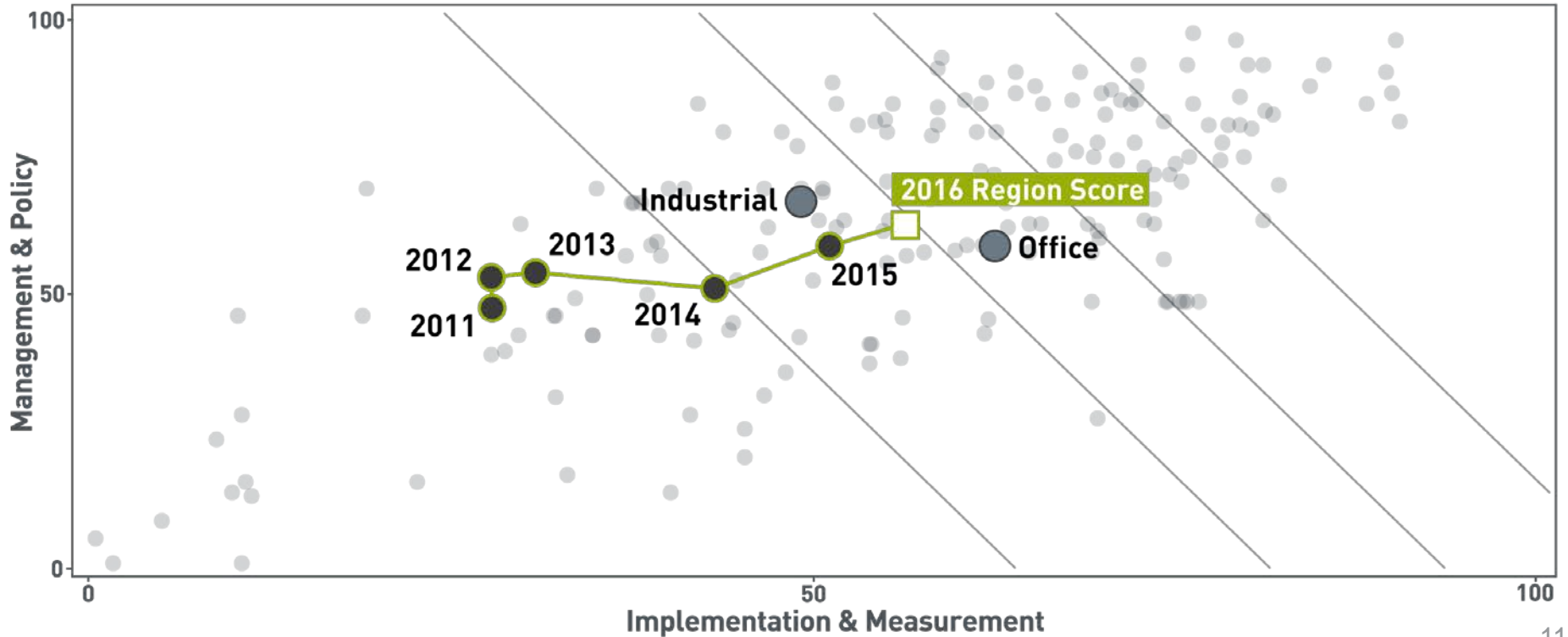
Alexandria Real Estate Equities  
AvalonBay Communities, Inc.  
Boston Properties  
Brandywine Realty Trust  
Camden Property Trust  
COPT  
Cousins Properties  
DiamondRock Hospitality  
Equity One  
Equity Residential  
Essex Property Trust  
Federal Realty Investment Trust  
First Industrial Realty Trust  
Forest City Enterprises  
Franklin Street Properties  
General Growth Properties  
Government Properties Trust  
HCP, Inc.  
Hersha Hospitality Trust  
Host Hotels & Resorts  
INP Retail

Kilroy Realty  
Kimco Realty Corporation  
LaSalle Investment Management  
Liberty Property Trust  
Monogram Residential  
Paramount Group  
Parkway Properties  
Post Properties  
Prologis  
Public Storage  
Regency Centers  
Simon Property Group  
Taubman  
The Macerich Company  
TIER REIT  
Ventas, Inc.  
Vornado Realty Trust  
Washington REIT  
Weingarten Realty  
Welltower, Inc



# 2016 Results

## North America





# 2016 Results

## US REITs over time

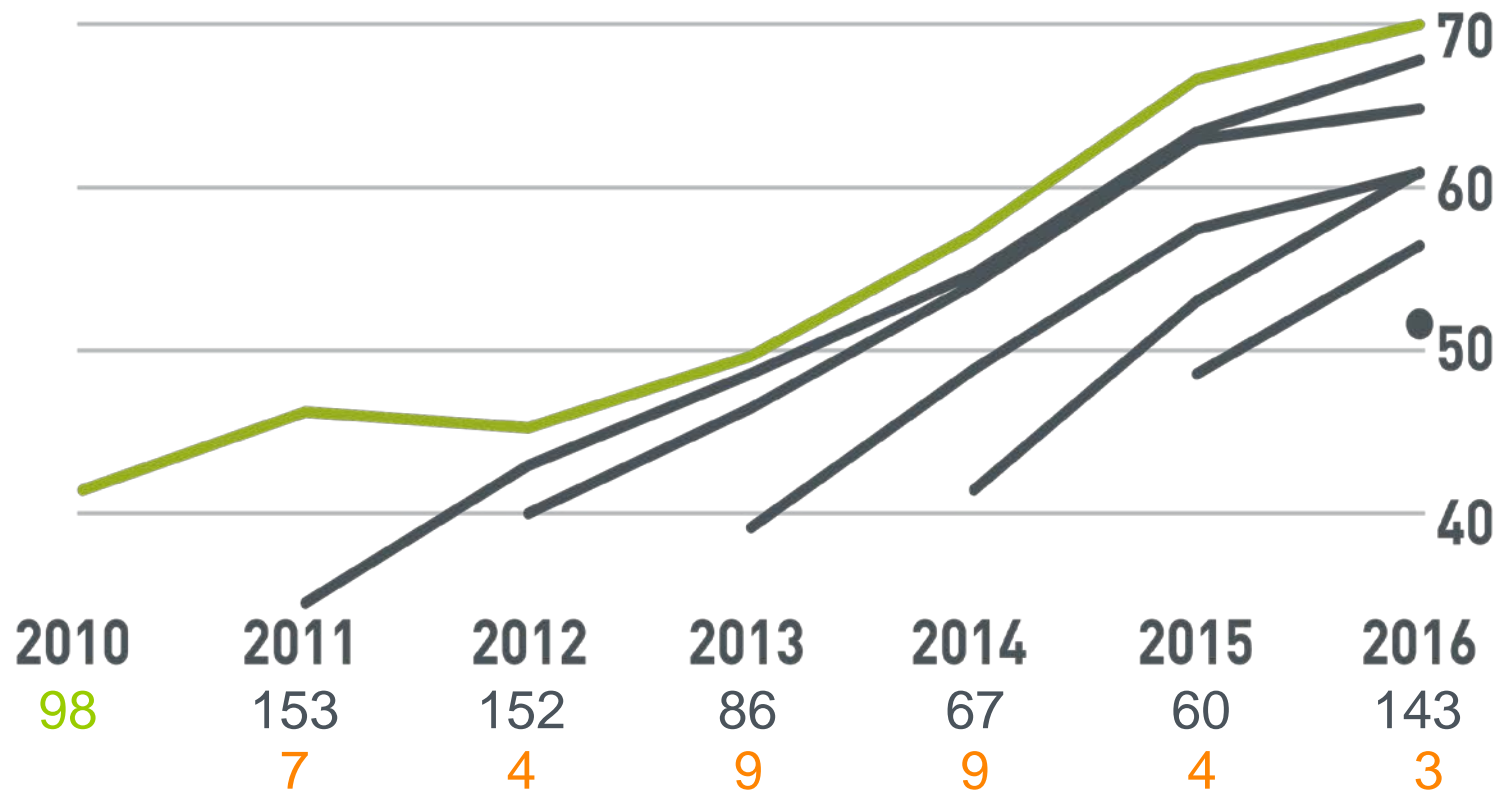




# Performance Trends

GRESB cohort analysis

# Participants per cohort  
NAREIT Members





# Sector Leaders

## North America

### Listed

### Private

#### Diversified

Invesco Core Real Estate - U.S.A., LP - Invesco Real Estate 

#### Retail

The Macerich Company

Pine Tree - Pine Tree

#### Office

Kilroy Realty Corporation

MetLife/Norges Bank Investment  
Management Joint Venture

#### Industrial

Prologis - Prologis

#### Residential

Equity Residential

Invesco San Jacinto Core Fund

#### Diversified - Retail/ Office

Oxford Properties Group (OMERS) - Oxford Properties Group

#### Diversified - Residential/Office

Multi-Employer Property Trust/MEPT Edgemoor - Bentall Kennedy Group 



Member Feedback

# 2017 Assessment





# 2016 Leader in the Light

## NAREIT Members

Equinix – Data Centers

Equity Residential – Multifamily

Hersha Hospitality Trust – Lodging

Kilroy Realty Corporation – Office

Macerich – Retail

Prologis – Industrial

Welltower – Health Care

Vornado – Diversified





# 2016 Feedback

## Points of improvement

- Upload of supporting evidence
- Portal checks on data input
- Clarity around reporting requirements and scoring elements
- Checks on consistency in reporting



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- .....
- .....
- .....



# 2017 Objectives

GRESB is dedicated to continue on the route towards investment grade data, as co-developed with PwC in 2014.

- Simplify and consolidate the process
- Increase data quality
- Enforce compliant reporting practices
- Enhance clarity on data validation, scoring and analysis



# 2017 Real Estate Assessment

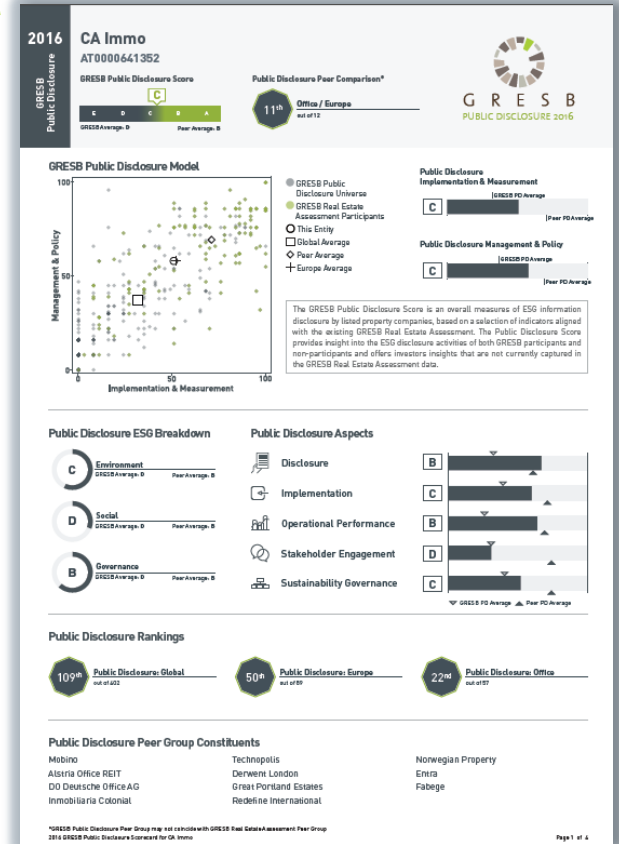
## Development highlights

- Limited number of changes, which allows pre-filling of almost half of the Assessment for 2016 GRESB Real Estate participants
- Stable and streamlined reporting process with a focus on correct and complete reporting
- New GRESB Portal functionalities aimed at reducing the amount of time spent on filling out the Assessment and uploading supporting evidence
- New data quality control features
- Extended set of indicators included in the APIs with our Data Partners

# New! Public Disclosure Assessment

New tool to assess transparency in the listed market

- Complementary feature to the annual Real Estate Assessment
- Overall measure of ESG performance disclosure by listed companies
- Solely based on publicly available information
- Score based on a A to E sliding scale



ASPECTS	
Entity & Reporting Characteristics	>
Management	>
Policy & Disclosure	>
Risks & Opportunities	>
Monitoring & EMS	>
Performance Indicators	>
Building Certifications	>
Stakeholder Engagement	>
New Construction & Major Renovations	>
Supplements	<
Review & Submit	
Tools	>

# April 1 2017: GRESB Portal opens

- 2017 Real Estate Assessment
- 2017 Public Disclosure Assessment
- Health & Well-being Module
- NAREIT Leader in the Light Supplement

SUPPLEMENTS	
NAREIT Leader in the Light	○
Health & Well-being	○
Public Disclosure Assessment	○



# 2017 GRESB Real Estate Timeline

- March 1, 2017 – GRESB Real Estate and Developer Assessment Reference Guide
- March 1, 2017 – GRESB Health & Well-being Module and Reference Guide
- April 1, 2017 – GRESB Portal opens
- June 1, 2017 – Deadline Response Check request
- June 15 – June 31, 2017 – Validation process
- July 1, 2017 – Assessment closes
- September 6, 2017 – Release of 2017 Assessment individual data
- September 13, 2017 – Release of GRESB market snapshots





# 2017 Participant Training

North America - tentative dates

March 13 – San Francisco: GRESB Participant Training –  
INTRODUCTION

March 13 – San Francisco: GRESB Participant Training – ADVANCED

March 15 – New York: GRESB Participant Training – ADVANCED

March 16 – Toronto: GRESB Participant Training – INTRODUCTION

March 17 – Toronto: GRESB Participant Training – ADVANCED



# GRESB Assessments

Powered by a common mission and platform

## GRESB Real Estate

- Assesses the ESG performance of property companies, fund managers and developers

## GRESB Real Estate Debt

- Assesses ESG performance of real estate lenders

## GRESB Infrastructure

- Assesses the ESG performance of infrastructure assets and portfolios



2009

G R E S B<sup>®</sup>  
REAL ESTATE



2015

G R E S B<sup>®</sup>  
REAL ESTATE DEBT



2016

G R E S B<sup>®</sup>  
INFRASTRUCTURE



GRESB  
**Questions?**

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NAREIT Leader in the Light  
January 2017

WHAT ARE YOU DISCLOSING?

PUBLIC DISCLOSURE ASSESSMENT

PUBLICLY AVAILABLE INFO ONLY

A—E  
SCORED ON A SLIDING SCALE

ULTIMATELY,  
FURTHER INTEGRATION IS DOWN THE ROAD

WILL NOT DISCLOSING SUPPORTING DOCS HURT OUR SCORE?

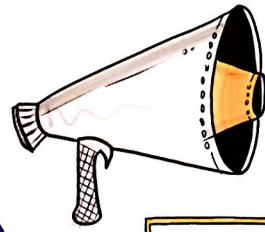
1/3 N.A.



MEASUREMENTS & RESULTS INCREASE CONTINUALLY

INCREASING  
MEMBERSHIP & PARTICIPATION

GLOBAL IN SCOPE



PLEASE GIVE US FEEDBACK

DISCLOSURE



● WILL YOU ACCEPT CASE STUDIES in OUR FORMAT?

● REPORTING TENANT INFORMATION?



# GRESB UPDATE

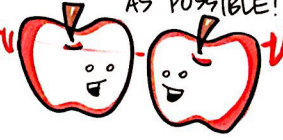
FEEDBACK

● SEE RESPONSES FOR NEW CONSTRUCTION IMPACT OVERALL

TRYING TO MAKE IT  
EASIER  
TO UPLOAD SUPPORTING EVIDENCE

CAN'T COMBINE:  
CREATES IMBALANCES

AS MUCH STANDARDIZATION AS POSSIBLE!



How much has the CSV been downloaded?



● HOW DO I KNOW HOW MUCH PEOPLE ARE LOOKING AT MY DATA?

● REWARD & RECOGNIZE MORE OF OUR EFFORT

● HAVE YOU THOUGHT OF COMBINING FRAMEWORKS FOR A "ONE STOP SHOP"?

● GOVERNANCE IS HEAVILY WEIGHTED BY INVESTORS— WILL IT BE FLESHED OUT MORE IN GRESB?