

European listed property companies achieve record EPRA Awards for sustainability reporting, spotlight turns to social and corporate governance factors

Europe's listed property industry achieved a record number of top Awards for sustainability reporting at the European Public Real Estate Association's (EPRA) 2017 Conference in London on Wednesday. The rapid improvement in transparency for the industry's sustainability credentials has also allowed EPRA to launch a new reporting initiative focused on social and governance attainments to ensure listed real estate companies deliver in this critical policy area.

Dominique Moerenhout, EPRA CEO, said: "European listed real estate companies have consistently raised their game every year since 2012, when EPRA began rewarding compliance with the Best Practices Recommendations for sustainability reporting. The recent big jump in the performance of our Swedish and German members is particularly impressive. The industry has now reached the point that we're able to turn our efforts towards improving transparency on corporate ESG metrics, where I'm sure companies will also rise to an equally tough challenge."

Consultants JLL reviewed the public disclosure of sustainability reporting of 134 companies (117 EPRA members and 17 non-EPRA/non-Index members) for allocating the Gold, Silver and Bronze Awards according to best compliance with the sBPR.

The performance measures assessed by JLL encompass: energy (fuels; electricity; district heating and cooling); direct and indirect greenhouse gas emissions; water; waste and certified buildings. A total of 36 companies won the highest Gold Award this year, a 44% rise from 2016. The total number of Award winners has almost doubled since the first survey in 2012, when only 22% of companies were awarded. In 2017, 40% received an Award, a 54% increase compared to 2016.

In 2017, 68% of EPRA members reported at least one sustainability performance measure, and 46% of these won an Award meaning they reported against at least 12 performance measures. Of the 17 non-EPRA members included in the Awards, 65% reported at least one performance measure.

In Sweden, every listed company disclosed data in 2017 whereas only half did in the 2016 report, while in Germany the number rose to 41% from 19% last year.

Olivier Elamine, Chair of the EPRA Sustainability Committee and CEO of alstria office REIT, said: "EPRA's engagement with member companies over their sustainability reporting standards, combined with investor and peer pressure, is clearly having a big impact on the transparency of the listed real estate industry. The listed sector is now unquestionably leading the way in terms of sustainability in the real estate investment universe, and provides not only investors but all its stakeholders with state of the art public disclosures."

Denise Michela Sofia, Senior Consultant, Upstream Sustainability Services at JLL added: "EPRA sBPRs are now pervading every level of the European listed real estate industry. A sure sign of this is the disappearance of the relationship between portfolio size and average scoring against EPRA survey criteria, which was prevalent five years ago. As more and more companies have started applying the recommendations, the correlation between market capitalisation and Award winners has vanished."

ESG Guidelines Launched

EPRA has now launched the third edition of its sustainability BPR Guidelines, which includes environmental, social and corporate governance indicators and additional guidance on reporting

principles. The leading real estate companies are already seeking to measure their wider impact and contribution to society at an asset and corporate level, so EPRA aims to provide common industry metrics for non-financial disclosure. They include new performance measures covering diversity, employee development, health and safety, community engagement and Board composition, selection and conflicts of interest.

ENDS

About EPRA

The European Public Real Estate Association is the voice of the publicly traded European real estate sector. With more than 240 members, covering the whole spectrum of the listed real estate industry (companies, investors and their suppliers), EPRA represents over EUR 430 billion of real estate assets* and 86% of the market capitalisation of the FTSE EPRA/NAREIT Europe Index. Through the provision of better information to investors, active involvement in the public and political debate, improvement of the general operating environment, promotion of best practices and the cohesion and strengthening of the industry, EPRA works to encourage greater investment in listed real estate companies in Europe.

**European companies only*

For more information please contact:

Steve Hays, Bellier Financial: +31 (0)20 419 0901, steve.hays@bellierfinancial.com

Kasia Jasik-Caínzos, EPRA: +32 (0)4 78 88 79 08, k.jasik@epra.com