



G R E S B[®]
REAL ESTATE DEBT

2017 Debt Reference Guide

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The 2017 GRESB Debt Reference Guide (“Reference Guide”) accompanies the 2017 GRESB Debt Assessment (“Assessment”) and is published both as a standalone document and in the GRESB Portal alongside each Assessment indicator. The Reference Guide reflects the opinions of GRESB and not of our members. The information in the Reference Guide has been provided in good faith and is provided on an “as is” basis. We take reasonable care to check the accuracy and completeness of the Reference Guide prior to its publication. While we do not anticipate major changes, we reserve the right to make modifications to the Reference Guide. We will publicly announce any such modifications.

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About GRESB

GRESB is an investor-driven organization that is transforming the way we assess environmental, social and governance (ESG) performance of real assets globally, including real estate portfolios, real estate debt providers and infrastructure assets. More than 250 members, of which about 60 are pension funds and their fiduciaries, use GRESB data in their investment management and engagement process, with a clear goal to optimize the risk/return profile of their investments.

For more information, visit www.gresb.com.

Overview of GRESB Assessments

GRESB Debt Assessment

The GRESB Debt Assessment is an ESG engagement and benchmarking tool for primary lenders including regional and national banks, insurance companies, private equity debt funds and mortgage REITs. The benchmark is specifically tailored to real estate lenders with focus on sustainability actions related to:

- Corporate ESG policies and business unit implementation
- Loan origination, due diligence and stakeholder engagement processes
- Property-level collateral monitoring methods
- Targeted loan programs and asset upgrade financing offerings

The GRESB Debt Assessment results provide opportunities to identify organizational strengths alongside areas for ESG performance improvement, both in absolute terms and relative to peers. Participants utilize their individualized benchmark as an internal and external engagement toolkit to inform forward business planning and stakeholder communication efforts by providing:

- Management evaluation opportunities
- Gap analysis through the identification of industry best practices
- Due diligence, loan monitoring and risk management process introspection
- Market insights to inform new or enhanced loan products

For mortgage REITs and private equity real estate funds, the GRESB Debt Assessment serves as an outward-facing communication tool to GRESB institutional investor members, and to the capital markets more broadly. Annual participation communicates commitment to ESG management practices and the incorporation of sustainability techniques into commercial real estate lending.

GRESB Real Estate Assessment

The GRESB Real Estate Assessment collects information on the ESG performance of property companies and funds. This includes information on performance indicators such as energy, GHG emissions, water and waste. In addition, the Assessment covers broader ESG issues such as sustainability risk assessments, performance improvement programs and engagement with employees, tenants, suppliers and the community. The GRESB Real Estate Assessment is aligned with international reporting frameworks such as GRI and PRI.

The 2017 GRESB Real Estate Assessment remains consistent with the 2016 version. Only small changes have been implemented following extensive engagement with the real estate industry through the GRESB Advisory Board, Benchmark Committees, and Technical Working Groups.

GRESB Developer Assessment

In addition to the GRESB Real Estate Assessment, GRESB also provides a stand-alone GRESB Developer Assessment that focuses on development activities rather than the management of standing investments. The GRESB Developer Assessment evaluates the ESG performance of development focused companies and funds, focusing on policies, strategies, and measures related to new construction and major renovation projects.

Who should complete the GRESB Developer Assessment?

- Organizations that develop projects, or acquire development projects, with the aim to sell the projects at completion. Projects can be developed to a tenant's specification (build to suit), commissioned by an investment manager, or can be developed at risk;
- Organizations that acquire properties exclusively for redevelopment and resale;
- Organizations that manage standing investments as a by-product of their development activities, and for whom the development activities are considered to be the core business.

The GRESB Developer Assessment consists of a subset of indicators from the GRESB Real Estate Assessment, plus the 14 indicators in the New Construction & Major Renovations (NC&MR) Aspect.

Supplement: Health & Well-being Module

The Health & Well-being Module is an optional supplement to the GRESB Real Estate Assessment. The purpose of the Module is to understand how the entity is promoting the health & well-being of entire populations, such as employees, tenants and community members. Indicators in the Module are not intended to address individuals, and information identifying individuals is not requested for any Health & Well-being Module indicator. Entities should not submit any evidence that contains potentially confidential information on the health & well-being of individuals.

Supplement: NAREIT Leader in the Light

GRESB is closely associated with the National Association of Real Estate Investments Trusts (NAREIT) as one of our partners. NAREIT encourages its corporate members to complete the annual GRESB Real Estate Assessment, which, for the past five years, has been the basis for their annual Leader in the Light Award competition.

The Leader in the Light Awards are presented to REITs in eight property sectors: Diversified, Global (for non-U.S. companies), Health Care, Industrial, Lodging/Resorts, Office, Residential and Retail. If there are both large and small-cap entries that meet the awards criteria in a given property sector, awards are presented to both the leading large and small cap companies.

To participate in the Leader in the Light Award program, NAREIT members must complete both the GRESB Real Estate Assessment and the Leader in the Light Supplement. Once all sections of the GRESB Real Estate Assessment are completed, including the Leader in the Light Supplement, participants are able to submit their entire submission which will automatically be included in the Leader in the Light Award competition.

GRESB Infrastructure Assessment

The GRESB Infrastructure Assessment is a unique tool for systematic assessment, objective scoring, and peer benchmarking of the ESG performance of infrastructure investments. The GRESB Infrastructure Assessment is designed to address the need of institutional investors for information about critical aspects of ESG performance through a flexible, globally applicable reporting and benchmarking framework.

The GRESB Infrastructure Assessment has an initial focus on operating investments, infrastructure assets, companies and funds and covers a variety of infrastructure sectors, including:

- Energy generation (including renewables)
- Energy distribution
- Telecommunications
- Transportation
- Water supply and treatment
- Social infrastructure (e.g., convention, aged care, schools, others)

The GRESB Infrastructure Assessment provides infrastructure investors with actionable information and the tools they need to accurately monitor and manage the sustainability risks of their assets, and to prepare for increasingly rigorous ESG obligations. It is a consistent framework allowing investors to collect and compare key ESG and related performance metrics across their infrastructure assets worldwide.

GRESB Infrastructure Members can use the information provided by GRESB to better understand immediate sustainability risks, to engage with the management of their investments, to take advantage of ESG-related investment opportunities and to report to constituents and other stakeholders.

GRESB Insights

ESG considerations are now a well-established topic in the global real asset sectors. In the dynamic and fast-moving sustainability space, the development and integration of ESG best practices into decision-making varies widely across regions and sectors. With its global and multi-sector coverage, GRESB is well positioned to document innovation in real assets sectors. GRESB's ambition is to promote and highlight innovative approaches and best practices in the implementation of sustainability and has developed a publicly available knowledge-sharing platform: GRESB Insights. This platform documents innovative approaches to the integration of ESG best practices into the management and development of real assets.

GRESB participants can submit innovation case studies via the Insights section of the public GRESB website, throughout the year, and may be selected for publication on GRESB Insights. The submitted case studies will also be accessible to participants and investors via the GRESB Portal.

Assistance with the GRESB Assessments

If you need assistance or have Assessment-related questions you can:

- Use the Frequently Asked Questions ([FAQ](#)) in the GRESB Portal.
- Use the “Ask GRESB” button next to each indicator in the Portal or use the online contact form.
- Contact one of our Partners (see www.gresb.com for more details).
- If you need assistance on other topics or wish to contact a member of the GRESB team directly, you can use the online contact form or send an email to info@gresb.com.

Providing Feedback

Participants can give feedback during the Assessment process and immediately after submitting their Assessment response using the evaluation form available in the Portal or by sending a direct email to info@gresb.com.

Introduction

Thank you for participating in the 2017 GRESB Debt Assessment. This year's Assessment includes 30 indicators across five ESG-based Aspects that apply to risk management process during loan underwriting and portfolio monitoring. The 2017 Assessment builds upon the base level of industry knowledge generated since the initial 2015 release along with multiple rounds of industry feedback.

2017 Assessment Development highlights

- More balance within the Assessment via extended Opportunities and Monitoring aspects to reflect market changes;
- Increased attention to identifying and tracking sustainability-related performance metrics in loan underwriting and decision making;
- Improved indicator structure that allows participants to provide greater context on policy implementation and lending practices;
- New GRESB Portal functionalities designed to reduce time when completing the 2017 Assessment and providing supporting evidence.

About the 2017 GRESB Debt Reference Guide

This Guide accompanies the 2017 GRESB Debt Assessment and is intended to provide all basic information required for a complete submission:

- Introduction to the overall Assessment structure and indicator types;
- Technical instructions, descriptions and requirements for each indicator;
- Information about changes relative to previous Assessment versions;
- Details that inform validation, scoring, and documentation requirements.

For additional help, please contact the GRESB helpdesk team at info@gresb.com.

Indicator structure

Every indicator in the 2017 Assessment can be answered with 'Yes' or 'No' and in some cases with 'Not Applicable'.

If selecting "Yes", participants have the option to further classify the response by selecting one or more sub-options and/or complete an open text box. Participants should select all sub-options that accurately describe the participant and for which it can provide evidence required to validate the response. Valid evidence is required to receive points.

If selecting "No", participants may not select any additional sub-options; the resulting points attributed to this indicator will be zero (0).

Indicator components

The Assessment is a layered tool constructed around four core components – Checkboxes, 'Other' answers, Open Text Boxes and Portfolio Coverage. These components are explained below and are often combined within one indicator.

Checkboxes: The majority of Assessment indicators contain a set of checkboxes that participants can select after answering 'Yes'. Participants may select multiple sub-options that represent their organization, fund, group or department.

'Other' answers: Some indicators offer the opportunity to provide an alternative answer option ('Other'). Such other answers must stand outside of the options listed in the question. It is possible to add multiple other answers. However, scores will not be aggregated. All answers are validated as part of the data validation process.

Open Text Box (OTB): This free text area allows participants to offer succinct context to elaborate on an answer. The majority of open text boxes are used for validation and scoring. Each open text box has unique set of requirements that must be met to receive points for a particular indicator. Indicator-specific requirements are described in the Assessment, and explained in detail within this Reference Guide

Portfolio Coverage: Some indicators provide either a text box or dropdown menu for which to report percentages. Portfolio coverage is indicator specific, and relies on a numerical expression of portfolio structure. Guidance for portfolio coverage can be found under each indicator.

Evidence

Certain indicators require participants to provide supporting evidence. This evidence is used to validate the overall answer, and any additional selected criteria. GRESB does not have a standard for evidence, but rather the expectation that a validator with reasonable domain expertise can locate support for the participant's answer within the evidence provided.

Evidence provided should not require extensive interpretation or inference. Participants are strongly encouraged to provide the simplest evidence that supports an answer. It is the responsibility of the participant to provide clear and concise information that can be understood by the validator.

The GRESB Debt Assessment allows for the provision of two types of evidence:

- 1. Document Upload:** Participants may submit any document that supports selected checkboxes and/or content of an open text box. Uploads are used by the validation team to substantiate claims, and support subsequent scoring. In 2017, GRESB introduced enhanced Portal functionality supporting multiple document uploads as indicator evidence.
 - **Upload Library:** Uploaded documents are stored in a participant's document library; these documents remain accessible after each response submission.
 - **Redacted Documents:** Participants may redact documents; however, a redacted document must contain enough information to validate the indicator.
 - **Partial Documents:** Participants may upload sections of larger documents. Partial documents must include in the name and publication date of the full document.
 - **Relevant Location:** To facilitate the data validation process, use the assigned box to describe the section and page containing the relevant information. Within the uploaded document, participants often add a cover page, or clearly highlight, encircle, or otherwise identify the specific page number(s) within the upload.
- 2. Hyperlink:** For all URL's, please ensure the relevant page can be accessed within two steps. To qualify as valid supporting evidence, this URL must demonstrate the existence of each criteria selected. Broken links are interpreted as absence of evidence.

Language

Assessment response must be submitted in English. Official documents uploaded as supporting evidence, do not need to be translated. However, a summary of the content should be provided in English via the evidence template.

Reporting Level

Assessment indicators are tracked at three levels. Each indicator specifies a response level. Where a participating entity is part of a larger organization or group of companies, GRESB directs indicators to be answered at either:

- (a) 'Organization Level';
- (b) 'Organization Level applicable to Entity Level';
- (c) 'Entity Level'.

Organization Level: If the participant is a lending unit or division within a larger financial institution or corporate group, the response may relate to broad organization-level policies/processes. These indicators are not required to primarily relate to the lending unit (i.e. 'Entity') submitting the Assessment.

Organization Level applicable to Entity Level: Select indicators specifically apply to the lending unit's activities and policies; these indicators require an entity or unit level response. Thus, if the entity is part of a larger organization, the lending unit's activities must align with the organization.

Entity Level: These indicators require the highest level of detail. Responses should specifically relate to the named lending unit / group submitting the Assessment.

Reference Guide Structure

Indicator Guidance

The indicator-specific guidance contains summary overviews and/or detailed explanations:

By Aspect:

- (a) Aspect intent
- (b) Section content

By Indicator:

- (a) Indicator intent
- (b) Identification and allocation to a GRESB dimension – Management & Policy or Implementation & Lender Practices
- (c) Maximum number of points available
- (d) Category allocation – Environmental (E) Social (S) or Governance (G)
- (e) Applicable terminology
- (f) Requirements for a well structured response
- (g) Necessary evidence
- (h) Scoring elements
- (i) Any applicable supporting materials, examples or references.

Allocation to E, S, G

GRESB allocates each indicator to one of the three sustainability dimensions – Environmental, Social or Governance

- E – indicators relate to actions and efficiency measures undertaken to monitor and decrease the environmental footprint of the loan portfolio.
- S – indicators relate to the entity's relationship with, and impact on, its stakeholders including the direct social impact of its activities.
- G – indicators relate to the governance of sustainability including organizational policies, operational procedures, and overall approach to sustainability by the entity and/or organization.

Scoring Methodology

The GRESB Debt Assessment is structured into five sustainability Aspects. The weighted combination of points achieved in each Aspect generates the overall GRESB Score. This Reference Guide provides detailed insight into the points available for each indicator, and the weighting of Assessment Aspects.

Scoring Model

The scoring model is based on an automated system, deployed via a technology platform designed for GRESB by a third party that specializes in data analysis software development. Following data validation, scoring is completed without manual intervention.

The sum of the scores for each indicator adds up to a maximum of 71 points; the overall GRESB Score is expressed as a percentage – from 0 to 100. The score is divided into two dimensions: Management & Policy (MP) and Implementation & Lender Practices (IL). These scores are visualized using the GRESB Quadrant Model.

Management & Policy is defined as “internal processes evidenced by sustainability policies and management procedures adopted by the company, fund or lending unit and connected to one or more actions.” The maximum score for Management & Policy is 35.5 points – this is 50 percent of the overall GRESB Debt Score, and expressed as a percentage.

Implementation & Lender Practices is defined as “one or more actions taken to implement specific lending activities and/or the ongoing monitoring of loan portfolio performance indicators.” The maximum score for Implementation & Measurement is 35.5 points – this is 50 percent of the overall GRESB Score, and expressed as a percentage.

GRESB Quadrant Model

The scores for Management & Policy (MP) and Implementation & Lender Practices (IL) are visualized using the GRESB Quadrant Model. Depending on the points achieved along each MP and IL axis, each participant falls within one of the four quadrants.

Indicator Points

For indicators where you can select one or more sub-options, GRESB awards points cumulatively for each individual sub-option and then aggregates to calculate a final score for the indicator. For many indicators, this final score is capped at a maximum, which means that it is not necessary to select all answer sub-options in order to receive full points. Open text boxes (where participants answer through a descriptive text) may receive full, partial or no points. Points are awarded for valid responses, based on the quality of the responses.

Data Validation Process

Validation Approach

Data validation is an important part of the GRESB benchmarking process. The purpose of data validation is to encourage participant best practices in data collection. Following receipt of each participant's Assessment submission, GRESB validates the inputted data prior to full analysis and benchmarking. This process continues from the date of the first Assessment submission until the final close of the data set on July 31, 2017.

GRESB validation is a check on (a) factual accuracy and (b) logical underpinnings (e.g. clear, sound reasoning) of GRESB Assessment submissions including:

- Key topics: Indicators requiring (a) quantitative information, and (b) indicators strongly weighted within the scoring methodology.
- Third-party review topics: Indicators requiring confirmation of third-party checks of sustainability data (e.g. reviews, verification, assurance).
- Umbrella topics: Indicators with broad and overarching relevance to sustainability attributes present within the loan portfolio.

GRESB validators check:

1. The existence and specific content provided in open text boxes.
2. Any additional information provided including third-party organization names; assurance, audit, certification and verification standards; and the content provided when answering 'Other' to an Assessment indicator.
3. Content quality of uploaded documents.

Validation focus

All data submitted is subject to the GRESB data validation process. The GRESB Debt Assessment administers a three-tier validation process that includes 1) All Participant Check, 2) Validation Plus, and 3) Validation Interview. For more information concerning the three tier validation process, please refer to the GRESB Debt Participant Guide via this [hyperlink](#).

All 2017 GRESB Debt participants are subject to Validation Plus process such that all document uploads and/or hyperlinks are examined and scored relative to the indicator requirements as stated in the guidance. Evidence provided must include specific reference to selected answer options to achieve points during validation.

Applicability

Uploaded documents are utilized by GRESB validators solely for validation purposes.

In 2017, GRESB introduced new functionality whereby documentation provided during validation can be made available to GRESB Investor Members on a document-by-document basis. Each uploaded document has an associated checkbox which, when selected by a participant, will make this document available to GRESB Investor Members. Selecting this textbox provides access to all GRESB Investor Members with permission to review a participant's results. It is not possible to choose a sub-set of GRESB Investor Members with proper access rights for which to share these documents.

Entity and Reporting Characteristics

Intent and Overview

The information provided in the Entity and Reporting Characteristics section provides the framework for the submission of the GRESB Debt Assessment. This section identifies unique lender and portfolio characteristics and serves as the basis for scoring and peer group determination. Therefore, you must first complete this section before completing the remainder of the Assessment.

The section consists of two parts:

- **Entity characteristics:** Identifies the participating entity, based on characteristics that remain constant across different reporting periods (year-over-year).
- **Reporting characteristics:** Defines the reporting scope of the entity for the current reporting period and determines the structure of the Assessment submission.

Entity Characteristics

EC1 Entity Name _____

Organization Name (if applicable) _____

Intent Identify the participating entity. Participants should submit entity and organization name if applicable.

Terminology **Entity name:** Fund, company and/or lending unit name that best identifies the portfolio for this Assessment submission.

Organization name: Legal name of the organization that manages or owns the entity. For mortgage REITs, please use the full legal name of the listed company.

Requirements Complete all applicable fields.

In the case of real estate finance units of banks, insurance companies, pension funds, and sovereign wealth funds, the entity name identifies lending unit's name within the organization for which the Assessment is submitted.

In the case of debt funds—regardless of whether they are part of a larger investment management organization — the entity name identifies the specific portfolio/fund for which the Assessment is submitted.

In the case of mortgage REITs, the entity name is the legal name of the organization, which is also used for identification on the international stock exchanges.

EC2 Location of the entity's headquarters office

Street Address _____

City _____

Region/State _____

Country _____

Intent Identify the entity's headquarters office. Participants should fill all sections.

Requirements Complete all applicable fields.

EC3 Nature of the entity

- Private equity real estate debt fund
- Mortgage REIT
- Real estate lending unit of a
 - Bank
 - Life insurance company
 - Pension fund
 - Sovereign wealth fund
 - Other _____

The entity is a

- Public company
 - Listed on _____
 - ISIN _____
- Private company
- Other _____

Intent Describe the nature of the participating entity. Participants should select the applicable type of the entity.

Terminology **ISIN:** International Securities Identification Number. ISINs are assigned to securities to facilitate unambiguous clearing and settlement procedures. They are composed of a 12-digit alphanumeric code and act to unify different ticker symbols, which can vary by exchange and currency for the same security. In the United States, ISINs are extended versions of 9-character CUSIP codes.

Private entity: Any participating entity that is not a public company (e.g. a private equity fund) or is not managed or owned by a public company (e.g. a pension fund or sovereign wealth fund real estate finance unit).

Public company: An entity that is publicly listed on a recognized stock exchange. Real estate finance units of publicly listed banks and insurance companies are considered a public company, as are mortgage REITs.

Requirements Complete all applicable fields.
Select one of the options to identify whether the entity is a public or private company.
For entities that are real estate finance units of banks and insurance companies, this refers to the organization (overarching company), not the entity.

EC4 Nature of the business

- Loan originator
 - _____ % of originations held on balance sheet
 - _____ % of originations syndicated
 - _____ % of originations securitized
- Loan purchaser

Intent Describe the nature of the participating entity's business. Participants should select the applicable answer and provide percentages per loan type.

Terminology **Loan originator:** The lender that serves as the primary loan underwriter and provides proceeds to the borrower.

Loan purchaser: The party that purchases a loan or group of loans from a loan originator.

Requirements Complete all applicable fields.
Provide portfolio split per sub-category at the end of reporting period.

EC5 **The reporting period is**

Calendar year

Fiscal year

Specify the starting month_____

Intent Set the entity's annual reporting period.

Terminology **Calendar year:** January 1 – December 31

Fiscal year: The period used to calculate annual financial statements. Depending on jurisdiction a fiscal year will typically start on April 1, July 1, October 1 or Jan 1

Requirements Complete all applicable fields.
Your answer must have been true at the end of the reporting period.

Reporting Characteristics

RC1 **Values are reported in**

Australian Dollar (AUD)

Brazilian Real (BRL)

Canadian Dollar (CAD)

Chinese Yuan (CNY)

Danish Krone (DKK)

Euro (EUR)

Hong Kong Dollar (HKD)

Indian Rupee (INR)

Japanese Yen (JPY)

Malaysian Ringgit (MYR)

Mexican Peso (MXN)

Pound Sterling (GBP)

Singapore Dollar (SGD)

South African Rand (ZAR)

South Korean Won (KRW)

Swedish Krona (SEK)

Swiss Franc (CHF)

United States Dollar (USD)

Other_____

Intent Set the currency for which the entity is denominated.

Requirements State the currency that is used for Assessment indicators that require a monetary value as a response.

Other: State the currency. Other answers must be outside of the options listed in the indicator.

RC2 **What is the aggregate unpaid principal balance (i.e. outstanding loan value) of the entity's portfolio at the end of the reporting period?**

_____ (in millions)

Intent State the size of the entity. Participants should report aggregate UPB due to the entity at the end of the reporting period.

Terminology **UPB:** The unpaid portfolio balance is the total outstanding loan value of the entity's portfolio at the end of the reporting period.

Unpaid principal balance (UPB) is a metric used in GRESB data analysis to identify the size of the reported portfolio.

Requirements Complete the value in millions using the designated field (e.g. UPB of \$75,000,000 must be reported as 75).

Do not complete the currency, as this has been selected in Indicator RC1.

RC3 **For peer group purposes, describe the portfolio composition**

Debt Strategy	% of loan portfolio	Average Loan Term
Senior loans		
Subordinated loans (mezzanine/junior)		
Participation loans		
Syndicated loans		
Securitized loans		
Other		

Intent Set the loan portfolio composition. Participants should report coverage per debt strategy and average loan term per strategy. This section will be used as a basis for scoring and peer group determination going forward.

Terminology **Loan Term:** The life span of a Loan, namely time between loan origination and final payment. For the purpose of RC3, the average loan term should be weighted by the unpaid balance.

Participation Loan: A large loan arranged by a group of banks to a single borrower through a lead bank. Unlike a syndicated loan, each lender does not have a direct contractual relationship with the borrower.

Securitized loans: Type of loan where multiple loans are pooled together, consolidated, and sold in tranches with specific payment and risk characteristics.

Senior loans: Senior ranking and conservatively structured real estate loans with leverage up to approximately 60%.

Subordinated loans: Loans subordinate to senior debt, including stretched senior (40%-60% LTV), junior (60%-70% LTV) and mezzanine financing (70%-85%+ LTV).

Syndicated Loan: A large loan arranged by a group of international banks that form a syndicate, headed by a lead manager.

Requirements Complete the table stating portfolio construction per loan type and stating average loan term.

Other: State debt strategy. Other answers must be outside the options listed in the indicator. The sum of percentages must add up to 100% to reflect anticipated principal repayment.

RC4 Which countries are included in the entity's portfolio?

Country	% of loan portfolio	Number of Assets	% Property Type by Market Value					
			Retail	Office	Industrial	Residential	Hotel	Other
Select country ▼								
Select country ▼								
Select country ▼								

Intent Describe the portfolio composition per country. Participants should report number of assets and property type per country. This section will be used as a basis for scoring and peer group determination.

Terminology

Hotel: Includes hotels, motels, youth hostels, lodging, and resorts.

Industrial: Includes distribution warehouses, flex, manufacturing and self-storage.

Number of assets: For the purpose of a valid GRESB assessment, please include the total number of loans by country. Report on the entire real estate debt portfolio including all debt strategies to include full and shared interests.

Office: Includes free-standing office, office terrace, unattributed office buildings, office parks, and medical offices.

Residential: Refers to buildings with at least five residential units including apartments and student housing.

Retail: Includes high street shopping centers, regional malls, power centers, neighborhood centers, strip malls, factory outlets and free-standing single-tenant retail.

Requirements Complete the table stating portfolio construction per country and percentage of loans secured by particular property type.

Other: Answers must be outside the options listed in the indicator.
Total percentage per country must add up to 100%.
Total percentage per property type must add up to 100% within each country.

RC5 Provide additional context describing the entity's portfolio (maximum 250 words)

Intent Provides the opportunity for additional context on the lending portfolio included within the submission.

Requirements Specify and clarify any additions and/or inconsistencies with the portfolio composition in this open text box.

The content in this open text box will be included in the participant's Assessment results, but will not be scored.



Management

Intent and Overview

This Aspect focuses on how the organization addresses sustainability implementation in the context of its overall business strategy. The purpose of this section is to (1) determine sustainability objectives and how they are embedded into the entity; (2) communicate participant's management of sustainability issues and (3) identify who is responsible for managing sustainability issues and decision-making on sustainability matters.

Sustainability Objectives

2016 Question

Q1.1 Does the organization have sustainability objectives?

Q1

- Yes
 - ESG issues are broadly addressed in the organization's overall stakeholder communications
 - The organization has clear and specific sustainability objectives within its business strategy
 - Sustainability objectives are tied to key performance indicators [KPIs]

The objectives are

- Publicly available
 - Online - hyperlink_____
 - Offline - separate document
 - Upload** Indicate where in the evidence the relevant information can be found_____
- Not publicly available
 - Upload** Indicate where in the evidence the relevant information can be found_____
- No

1 point, G, MP

Intent

Describe formal organizational sustainability objectives including any metrics. Participants should upload formal documentation of these objectives and mark how they are included in long-term strategic plans and/or developing ESG key performance indicators [KPIs].

Terminology

Business strategy: The organization's long-term strategy for meeting its objectives.

Environmental issues: The impact on living and non-living natural systems, including land, air, water and ecosystems.

ESG issues: Topics related to the management of environmental, social, or governance issues.

ESG KPIs: Performance indicators related to strategic priorities and connected to ESG issues. Can include both qualitative and quantitative indicators/targets.

Sustainability objectives: Strategic priorities and key topics to improve the management of ESG issues.

Requirements

Select yes or no. If selecting yes, please also review the provided checkboxes.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the organization level.

Evidence	<p>Provide the hyperlink OR document upload, depending on availability online or offline.</p> <p>Hyperlink: If providing a hyperlink, please ensure that the relevant page can be accessed within two steps.</p> <p>Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.</p> <p>Evidence must demonstrate the existence of sustainability objectives relating to each selected criteria. Lack of evidence is deemed invalid and results in zero points.</p> <p>Note: Provided evidence will also be reviewed in Q1.2 and must support answers reported there.</p>
Scoring	<p>Supporting evidence is mandatory. Your answer will not be scored unless the hyperlink and/or the uploaded document is considered valid based on criteria stated above.</p> <p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>

Q1.2 Are these sustainability objectives integrated into the lending unit's practice(s)? **Q1**

Yes

Select applicable inclusion level

All organization objectives are integrated into the lending unit's policies and practices

Most objectives are included in lending practices

Specify all objectives identified in Q1.1 that are included and excluded

Few objectives are integrated into the lending practices

Specify all objectives identified in Q1.1 that are included and excluded

Describe the integration of sustainability objectives and/or KPIs within the lending platform (maximum 250 words)

No

1.5 points, G, MP

Intent	Determines the breadth and depth of lending unit integration with the broader organization's sustainability objectives. Participants should elaborate which of the objectives reported in Q1.1 are applied to the lending unit entity, and how.
Terminology	<p>Few objectives: Only a limited numbers of organizational objectives [<math>\leq 3</math>] are included in the lending practices.</p> <p>Fully integrated: Complete alignment between the sustainability actions mentioned in the overall business strategy as implemented in the organization's lending practices.</p> <p>Some objectives: Refers to the integration of at least three organizational objectives, but below 'fully integrated' status.</p>
Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Note: Answers within text areas below sub-answers should specify which objectives that were uploaded in Q1.1 are included and excluded from entity's lending practices.</p> <p>Open text box: Description should fully support each element selected above and following elements:</p> <ol style="list-style-type: none"> 1. Identify key sustainability priorities and issues relevant to the entity. If applicable, explain how these objectives relate to the overall business strategy. 2. Explain how these objectives are integrated into the lending practices. Participants are encouraged to provide additional example(s) to underline integration process. 3. Describe current and next steps to foster further alignment.

Complete the open text box, regardless of whether objectives are publicly available or not.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

Hyperlink OR Document upload provided in Q1.1 will be used as evidence for this indicator.

No additional evidence is required for this indicator.

Scoring

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Q2 Does the organization have one or more persons responsible for implementing sustainability objectives within the lending unit? (multiple answers possible) Q2

Yes

Employee(s) with accountability for implementation and results

Provide the details for the most senior of these employees

Name _____

Job title _____

E-mail _____

Employee(s) responsible for ongoing monitoring and/or KPI reporting

Provide the details for the most senior of these employees

Name _____

Job title _____

E-mail _____

Employee(s) for whom sustainability is among their responsibilities

Provide the details for the most senior of these employees

Name _____

Job title _____

E-mail _____

Other _____

Provide the details for the most senior of these employees

Name _____

Job title _____

E-mail _____

No

2 points, G, MP

Intent

Identify internal resources dedicated to implementing organizational sustainability objectives. Participants should select an applicable category and provide necessary contact information.

Terminology

Employee(s) with accountability for implementation and results: Employee with responsibility for defining and implementing sustainability objectives at the entity level.

Employee(s) responsible for ongoing monitoring and KPI reporting: The sustainability related data monitoring and/or reporting is part of their role, but is not necessarily employee's main responsibility.

Employee(s) for whom sustainability is among their responsibilities: The implementation and monitoring of sustainability is part of the employee's role, but is not necessarily their main responsibility.

Requirements	Select yes or no. If selecting yes, please also review the provided checkboxes. Checkboxes: Multiple answers are possible. Please select all applicable answers. Note: Participants must provide an e-mail address together with the name and job title of the relevant employee. This information will remain confidential and will only be used for data validation purposes. Other: State the name of the other group responsible for implementing sustainability objectives. Answers such as "All employees" are not valid. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	No additional evidence is required for this indicator.
Scoring	Points are awarded to each individual option, then aggregated to calculate final points for the indicator. Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated. It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Sustainability Decision Making

Q3	Does the organization have a sustainability taskforce or committee?	Q3
	<input type="radio"/> Yes Select the issue(s) assigned to the taskforce (multiple answers possible) <ul style="list-style-type: none"> <input type="checkbox"/> Develop/refine policies to include sustainability issues <input type="checkbox"/> Policy oversight/implementation <input type="checkbox"/> Product development <input type="checkbox"/> Research/analyze sustainability risk impacts <input type="checkbox"/> Determine and track relevant KPIs <input type="checkbox"/> Inform stakeholder reporting <input type="checkbox"/> Research industry best practice <input type="checkbox"/> Formal executive level advisory <input type="checkbox"/> Other _____ Describe how this taskforce or committee impacts the real estate lending unit (maximum 250 words) <hr/>	
	<input type="radio"/> No	

2.5 points, G, MP

Intent	Identify the presence and composition of any internal sustainability taskforce or committee. Participants should elaborate on main issues assigned to this cross-functional group, and resultant impacts on the real estate lending unit.
Terminology	ESG KPIs: Performance indicators related to strategic priorities and are connected to ESG issues. Can include both qualitative and quantitative indicators/targets. Executive level advisory: A process for providing management advice for incorporating sustainability-specific topics into business vision, strategic plans, product development and similar actions. Policy: Defines an organizational commitment, direction, or intention as formally adopted by the organization/entity. Policy oversight/implementation: Actions taken to monitor policy implementation within the organization. Product development: Creating a new sustainability focused financial product or modifying an existing financial product to incorporate sustainability-related attributes.

Stakeholder reporting: Public disclosure incorporating management process and specific outcomes associated with relevant sustainability issues.

Sustainability taskforce/committee: A group of individuals who meet regularly to discuss and monitor the implementation of the organization's sustainability objectives.

Requirements

Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Open text box: Description should fully support each element selected above and following elements:

1. Elaborate which assigned issues apply to the real estate lending unit.
2. Describe how cooperation between taskforce and lending unit is happening in practice.

Other: State the issue assigned to the taskforce. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at both the organization and entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q4.1

Does the lending unit have a senior decision maker accountable for sustainability?

Q4

Yes

This individual is part of (multiple answers possible)

- Senior Management Team
- Board of Directors
- Chief Credit Officer
- Chief Risk Officer
- Credit Committee
- Loan Portfolio Manager
- Asset Manager
- Loan Servicing Team
- Loan Underwriting Team
- Other

Provide the details for the most senior decision maker on sustainability issues

Name_____

Job title_____

E-mail_____

No

1 point, G, MP

Intent

Identify the connection between professionals responsible for the implementation of sustainability and their overall organizational responsibilities. Participants should provide contact details for the most senior decision maker for validation purposes.

Terminology	<p>Accountable for: A person with sign off and/or approval authority over the deliverable task, project or strategy.</p> <p>Asset manager: An individual responsible for developing, overseeing and/or implementing investment strategies at the loan or asset level.</p> <p>Board of Directors: A group of individuals empowered to carry out certain oversight and strategic management tasks as spelled out in the organization’s charter.</p> <p>Chief Credit Officer: An individual responsible for providing credit information, loan policies and procedures to ensure the overall quality of the loan portfolio.</p> <p>Chief Risk Officer: An individual responsible for identifying, analyzing and mitigating internal and external events that could impact debt repayment or collateral/security quality.</p> <p>Credit Committee: The committee that assesses the credit risk of making a Loan to a Borrower.</p> <p>Loan Portfolio Manager: An individual responsible for ongoing portfolio management, prepare loan reviews and updating the portfolio risk analysis.</p> <p>Loan Servicing Team: A team of individuals responsible for post-closing loan administration. They may collect, apply and distribute payments, and facilitate borrower reporting.</p> <p>Loan Underwriting Team: A team of individuals responsible for performing initial risk analysis and determining loan eligibility based on the organization or entity’s established lending policy and parameters.</p> <p>Senior decision maker: The entity’s most senior decision-maker on sustainability who is involved in defining sustainability objectives and approving strategic decisions regarding sustainability initiatives.</p> <p>Senior Management Team: A team of individuals with day-to-day responsibility for managing the entity/organization.</p>
Requirements	<p>Select yes or no. If selecting yes, please also review the provided checkboxes.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Note: Participants must provide an e-mail address together with the name and job title of the relevant employee. This information will remain confidential and will only be used for data validation purposes.</p> <p>Other: The answer should refer to the department or governance structure of which employee is part of, and not the job title of the decision maker. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	<p>No additional evidence is required for this indicator.</p>
Scoring	<p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>Providing more than one “Other” will not impact points awarded. Answers are validated individually; scores are not aggregated.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>

Q4.2 Is the senior decision maker for sustainability involved in the lending decision process?

new

Yes

Describe inclusion process, including scale and scope (maximum 250 words)

Identify the minimum loan size that requires investment committee approval (EUR equivalent)

< 2 million EUR

≥ 2 million EUR, < 5 million EUR

≥ 5 million EUR, < 10 million EUR

≥ 10 million EUR

No

1 point, G, MP

Intent	Identify senior decision makers responsible for implementing sustainability into lending decisions. Participants should elaborate on inclusion process and criteria applicable at the investment committee level.
Terminology	Investment Committee: An internal governing body responsible for oversight of an entity's investment activities, policies and strategies. Senior decision maker: The entity's most senior decision-maker on sustainability who is involved in defining sustainability objectives and approving strategic decisions regarding sustainability initiatives.
Requirements	Select yes or no. If selecting yes, please also review the provided checkboxes. Open text box: Description should fully support each element selected above and following elements: <ol style="list-style-type: none">1. Explain how and during what stage senior decision maker is included in the lending decision process.2. Elaborate what tasks/responsibilities senior decision maker has during the lending decision process. Note: If you select yes, also select the applicable threshold that requires approval from investment committee. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	No additional evidence is required for this indicator.
Scoring	Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements. Selected threshold within the sub-level is not used in scoring.

Yes

Select the employees for whom these factors apply (multiple answers possible)

- Asset Managers
- Credit Committee
- Fund/portfolio Managers
- Loan Servicing Team
- Loan Underwriting Team
- Risk Management Committee
- Senior Management Team
- All employees
- Other _____

No

2 points, G, MP

Intent	Identify sustainability issues specifically addressed in employee performance targets across the organization. Participants should select applicable employee group(s).
Terminology	<p>Annual performance targets: Targets set in annual performance reviews, which are assessments of employee performance.</p> <p>Asset manager: An individual responsible for developing, overseeing and/or implementing investment strategies at the loan or asset level.</p> <p>Credit Committee: The committee that assesses the credit risk of making a Loan to a Borrower.</p> <p>Fund/portfolio manager: An individual who manages a portfolio of investments by creating and overseeing the implementation of real estate credit strategies across the entire entity portfolio.</p> <p>Loan Servicing Team: A team of individuals responsible for post-closing loan administration. They may collect, apply and distribute payments, and facilitate borrower reporting.</p> <p>Loan Underwriting Team: A team of individuals responsible for performing initial risk analysis and determining loan eligibility based on the organization or entity's established lending policy and parameters.</p> <p>Risk Management Committee: A group of individuals that assess the internal and/or external risks that could impact debt repayment, collateral quality or loan security.</p> <p>Senior Management Team: A team of individuals with day-to-day responsibility of managing the entity/organization.</p>
Requirements	<p>Select yes or no. If selecting yes, please also review the provided checkboxes.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Other: State the employees. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	No additional evidence is required for this indicator.
Scoring	<p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>



Policy & Disclosure

Intent and Overview

This Aspect focuses on the established policies that manage and communicate sustainability-related factors. The purpose of this section is to (1) describe applicable sustainability policies; (2) evaluate how these policies are embodied by the entity and reflected in its real estate financing portfolio; (3) understand how the organization communicates the sustainability performance of the lending activities.

Sustainability Disclosure

2016 Question

Q6.1

Does the organization disclose the sustainability-related performance of the lending activities?

Q7.1

Yes

Disclosure location(s) (multiple answers possible)

Annual Report

Select the applicable reporting level

Dedicated section describing lending actions and/or resultant KPIs

Aggregated information is presented along with other business units

Upload Indicate where in the evidence the relevant information can be found_____

Aligned with

Sustainability report

Select the applicable reporting level

Dedicated section describing lending actions and/or resultant KPIs

Aggregated information is presented along with other business units

Upload Indicate where in the evidence the relevant information can be found_____

Aligned with

Corporate website

Select the applicable reporting level

Dedicated section describing lending actions and/or resultant KPIs

Aggregated information is presented along with other business units

Provide applicable hyperlink_____

Integrated Report

Select the applicable reporting level

Dedicated section describing lending actions and/or resultant KPIs

Aggregated information is presented along with other business units

Upload Indicate where in the evidence the relevant information can be found_____

Aligned with

Investor report

Select the applicable reporting level

- Dedicated section describing lending actions and/or resultant KPIs
- Aggregated information is presented along with other business units

Upload Indicate where in the evidence the relevant information can be found_____

Aligned with

Other_____

Select the applicable reporting level

- Dedicated section describing lending actions and/or resultant KPIs
- Aggregated information is presented along with other business units

Upload Indicate where in the evidence the relevant information can be found_____

Aligned with

No

Guideline name

- ▼ GRI Sustainability Reporting Guidelines, G4
- ▼ IIRC International Integrated Reporting Framework, 2013
- ▼ PRI Reporting Framework, 2016
- ▼ Other_____

4 points, G, MP

Intent

Identify one or more disclosure methods used to describe the lending unit's sustainability-related performance. Participants should select applicable disclosure frameworks, locations and reporting levels, then provide supporting evidence.

Terminology

Aggregated information: Compilation of sustainability related information from various sources/ parts of the organization.

Alignment: To agree and match with a recognized standard (either voluntary or mandatory).

Annual Report: A yearly record of an organization's financial performance that is distributed to investors under applicable financial reporting regulations.

Dedicated section: A section of the organization's report and/or website that explicitly addresses sustainability performance of the lending activities.

Disclosure: The act of making information or data readily accessible and available to all interested individuals and institutions. Disclosure must be external (e.g. internal and/or ad hoc communication is not a valid response).

Integrated Report: A report that is aligned with the International Integrated Reporting Council (IIRC) Integrated Reporting Framework.

Investor report: A sustainability performance report prepared to inform investors on the entity's results and progress. A summary outlining an entity's overall approach that lacks performance analysis is insufficient.

Sustainability performance: Indicators of environmental, social, or governance (ESG) management, implementation or performance.

Sustainability report: A report dedicated to the organization's sustainability performance.

Requirements

Select yes or no. If selecting yes, please also review the provided checkboxes.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Note: For each applicable disclosure location participants must:

1. Select the applicable reporting level. If the organization reports at multiple levels, you should select the most detailed reporting level.
2. If applicable, select alignment from the dropdown list to confirm that your method of reporting is aligned with an external standard or guideline.

Other: State disclosure type. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the organization level.

Evidence

Provide the hyperlink OR document upload, depending on selected checkbox.

Hyperlink: If providing a hyperlink, please ensure that the relevant page can be accessed within two steps.

Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid.

Scoring

Supporting evidence is mandatory. Your answer will not be scored unless the hyperlink and/or the uploaded document is considered valid based on criteria stated above.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q6.2**Is this sustainability disclosure reviewed by an independent third party?****Q7.2**

Yes

Select all applicable options (multiple answers possible, selections must match answers in Q6.1)

Annual Report

Externally checked by _____

Externally verified by _____ using

Externally assured by _____ using

Sustainability Report

Externally checked by _____

Externally verified by _____ using

Externally assured by _____ using

Integrated Report

Externally checked by _____

Externally verified by _____ using

Externally assured by _____ using

Investor Report

Externally checked by _____

Externally verified by _____ using

Externally assured by _____ using

Other _____

Externally checked by _____

Externally verified by _____ using

Externally assured by _____ using

No

2 points, G, MP**Intent**

Identify the use of third-party checks, review and/or assurance in the sustainability disclosure process(es). Participants should provide matching responses to Q6.1 and select the applicable review level.

Terminology	<p>Assured: The process of checking data as well as related data collection and management systems through a systematic, independent and documented process against predefined criteria or standards. Assurance can only be provided by accredited auditors.</p> <p>Checked: A third-party review that does not comply with the definition of either Assurance or Verification.</p> <p>Verified: The process of checking data as well as related data collection and management systems through a systematic, independent and documented process against predefined criteria or standards. It can be performed by a wide range of accredited professionals.</p>
Requirements	<p>Select yes or no. If selecting yes, please also review the provided checkboxes.</p> <p>Note: Respond for all reporting methods selected in Q6.1. In all cases:</p> <ol style="list-style-type: none"> 1. State whether the reporting methods are checked, verified or assured (select only one option corresponding to the greatest detail level); 2. Select the applicable assurance/verification scheme from the dropdown list; 3. State the name of the checking/verifying/assuring organization. <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Other: State disclosure location. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the organization level.</p>
Evidence	<p>The document upload provided in Q6.1 is used to validate this indicator. The upload should include confirmation of the third party check (existence and type).</p> <p>Q6.2 is linked to Q6.1. Selections of disclosure methods in both indicators must match, otherwise the answer in Q6.2 will be deemed invalid.</p>
Scoring	<p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>

Sustainability Policies

Q7 Is there a stakeholder engagement program in place designed to achieve sustainability objectives?

Q10

Yes

Applicable to (multiple answers possible)

- Borrowers
- Operational Supply Chain
- Community
- Investors/Shareholders
- Industry Associations
- Government/Regulators
- Loan Syndication Partners
- Academia/Universities
- Other _____

Upload Indicate where in the evidence the relevant information can be found _____

No

2 points, S, MP

Intent	Detail any stakeholder engagement process and provide a list of stakeholders involved in this program. Participants should select involved stakeholder groups and provide evidence that underlines the program.
Terminology	Borrower: The party borrowing money from a lender. Community: Persons or groups of people living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by the organization's operations. Government/Regulators: The state and/or local authoritative and administrative governing body. Industry Association: A group of lenders or similar entities that are focused on [commercial] real estate lending. Investors/shareholders: The entity's current investors and/or equity stake owners in the organization/entity. Loan Syndication Partners: Partners in a loan syndicate, participation or club deal. Stakeholder engagement: Engagement with individuals/entities that have an interest in the entity. Supply chain: Sequence of activities or parties that provide products or services to the entity.
Requirements	Select yes or no. If selecting yes, please also review the provided checkboxes. Checkboxes: Multiple answers are possible. Please select all applicable answers. Other: State stakeholder group. Other answers must be outside the options listed in the indicator. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document. Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid.
Scoring	Supporting evidence is mandatory. Your answer will not be scored unless the hyperlink and/or the uploaded document is considered valid based on criteria stated above. Points are awarded to each individual option, then aggregated to calculate final points for the indicator. Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated. It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Does the organization maintain policies incorporating sustainability requirements in its commercial real estate lending practices?

Yes

Upload the policy/policies:

Upload Indicate where in the evidence the relevant information can be found_____

Policy is applied during (multiple answers possible)

- Screening and risk determination
- Collateral assessment
- Loan approval
- Other_____
- Other_____

Provide context on implementation actions (maximum 250 words)

Does this include differences in property types and geographic region?

Yes

- Regional differences addressed
- Property differences addressed (multiple answers possible)
 - Office
 - Retail
 - Residential
 - Industrial
 - Other_____

No

No

3 points, G, MP

Intent	Identify the sustainability-related aspects included in the real estate lending due diligence and underwriting. Participants should upload evidence that includes sustainability requirements while elaborating on implementation actions.
Terminology	<p>Collateral assessment: Process that evaluates property pledged by a borrower to secure a loan.</p> <p>Loan Approval: Formal authorization from lender that allows borrower to receive a loan.</p> <p>Screening and risk determination: Internal processes focused on uncovering and acknowledging risks associated with a specific lending decision.</p>
Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Note: This indicator has a sub-question that participants should answer to provide additional information on existing policies and requirements.</p> <p>Open text box: Description should fully support each element selected above and following elements:</p> <ol style="list-style-type: none"> 1. Describe main policy attributes and included sustainability-related requirements; 2. Elaborate on how these policies/requirements are implemented in practice. <p>Other: State a process/procedure. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the organization level.</p>
Evidence	<p>Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.</p> <p>Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid.</p>

Scoring Supporting evidence is mandatory. Your answer will not be scored unless the hyperlink and/or the uploaded document is considered valid based on criteria stated above.
 Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.
 Points are awarded to each individual option, then aggregated to calculate final points for the indicator.
 It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q9 Does the entity have one or more policies in place that addresses environmental issues at the collateral level? 12.1

Yes

Select environmental issues included (multiple answers possible)

- Energy consumption
- Water consumption
- GHG emissions profile
- Waste management
- Climate change adaptation
- Resilience assessment
- Habitat biodiversity impact
- Other _____

Upload Indicate where in the evidence the relevant information can be found_____

No

3 points, E, MP

Intent Identify the existence and scope of policies that address environmental issues related to property collateralizing the loan portfolio. Participants should upload respective policies, then select environmental issues included.

Terminology

Biodiversity and habitat: Issues related to wildlife, endangered species, ecosystem services, habitat management, and related topics.

Climate change adaptation: Preparation for long-term change in climatic conditions or climate-related events.

Energy consumption: Fuel consumption or energy management from renewable and non-renewable resources.

GHG emissions: GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF₃) and sulphur hexafluoride (SF₆).

Resilience assessment: Assessing an asset’s ability to continue to function, or return to function, after disruption from catastrophic events or long-term change.

Waste management: Issues associated with waste generation, reuse, recycling, composting, recovery, incineration, landfill, and storage.

Water consumption: The planning, development, distribution and management for optimum use of water resources.

Requirements Select yes or no. If selecting yes, please also review the provided checkboxes.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Other: State environmental issue. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence **Document upload:** Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.
 Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid.

Scoring Supporting evidence is mandatory. Your answer will not be scored unless the hyperlink and/or the uploaded document is considered valid based on criteria stated above.
 Points are awarded to each individual option, then aggregated to calculate final points for the indicator.
 Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.
 It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q10 **Does the lender utilize loan covenants requiring sustainability and/or minimum efficiency standards for collateral improvements?** **12.2**

Yes

Select applicable scope

- New construction
- Tenant fit-outs
- Retrofit/renovation
- Other _____
- Other _____

Provide specific examples and metrics when loan covenants were used (maximum 250 words)

No

2 points, S, MP

Intent Identify mechanism(s) within loan agreements that are tied to enforcing borrower-controlled sustainability aspects and/or minimum efficiency requirements for collateral improvements. Participants should select the applicable scope and provide examples and/or additional context.

Terminology **Loan Covenant:** Condition included in loan terms that requiring the borrower to fulfill certain conditions or taking certain actions.
New construction: Includes all borrower activities to obtain or change building or land use permissions and financing.
Retrofit/renovation: Includes all borrower activities to modify an existing building's systems and/or structure in order to improve building performance or tenant amenities.
Tenant fit-outs: Alterations undertaken by either the tenant or the borrower to design, refurbish or decorate a leased space, making it fit for tenant purpose. Tenant improvement allowances are generally provided by the borrower, to a tenant, at time of lease origination.

Requirements Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.
Checkboxes: Multiple answers are possible. Please select all applicable answers.
Open text box: Description should fully support each element selected above and following elements:
 1. Elaborate what loan covenants are utilized and in which cases;
 2. Specify sustainability-related metrics that are included in covenants.
Other: State applicable scope. Other answers must be outside the options listed in the indicator.
Reporting period: Your answer must refer to the reporting period identified in EC5.
Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence No additional evidence is required for this indicator.

Scoring Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.
 Points are awarded to each individual option, then aggregated to calculate final points for the indicator.
 It is not necessary to select all answer options in order to obtain the maximum points for this indicator.



Due Diligence

Intent and Overview

This Aspect focuses on actions taken during due diligence process to assess collateral and borrower sustainability performance. The purpose of this section is to (1) describe standard due diligence process and included sustainability-related factors; (2) evaluate entity's approach to responsible lending; (3) understand utilized borrower assessment process.

Property Assessment

2016 Question

Q11 As part of its standard due diligence process, does the lender evaluate sustainability related information?

Q13

Yes

Select all applicable options

- Borrower submitted sustainability asset plan
- Energy audit
- Environmental assessment (Phase I, ESA)
- EPC or similar energy certificate
- Green building certification documentation/report
- Health impact assessment
- Property condition assessment (PCA)
- Inclusion within the appraisal valuation report
- Other _____

Upload checklist:

Upload Indicate where in the evidence the relevant information can be found_____

No

3 points, E, IL

Intent

Identify sustainability-related information included within the lender's standard due diligence process. Participants should indicate specific issues incorporated and/or third-party reports evaluated, then provide appropriate evidence.

Terminology

Borrower submitted sustainability asset plan: A borrower's long-term plan detailing how sustainability measures will be embedded into the property's lifecycle.

Energy audit: A process for assessing existing energy consumption patterns and evaluating measures needed to increase energy efficiency.

Environmental assessment (Phase I, ESA): A report prepared by a qualified environmental engineer that identifies areas of environmental concern.

Energy certificate: A certificate that states the energy efficiency performance of buildings based on a benchmark. An example includes the Energy Performance Certificate regime introduced by the EU Energy Performance of Buildings Directive in 2010.

Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

Health impact assessment: Procedure that evaluates the potential health effects of a project/program on the population surrounding a particular building.

Appraisal or valuation report: Report provided by a third party valuation expert for the subject property (or properties)..

Property condition assessment (PCA): A report prepared by an engineering firm identifying property items requiring immediate repair, and additional items requiring attention over the loan term.

Requirements	Select yes or no. If selecting yes, please also review the provided checkboxes. Other: State information source/third party report. Other answers must be outside the options listed in the indicator. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document. Supporting evidence is not mandatory. Note: Participants should provide standard due diligence or closing checklist that clearly incorporates the selected options. Other evidence may include formalized internal documentation identifying protocol for reviewing property sustainability risks.
Scoring	Points are awarded to each individual option, then aggregated to calculate final points for the indicator. Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated. It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q12 **Does the lender review sustainability-related risk factors as part of standard underwriting?** **Q14**

Yes

Select applicable actions and/or risk factors (multiple answers possible)

- | | |
|---|---|
| <input type="checkbox"/> Natural hazards | <input type="checkbox"/> Transportation linkages |
| <input type="checkbox"/> Property condition | <input type="checkbox"/> Socio-economic/demographic factors |
| <input type="checkbox"/> Energy consumption audit | <input type="checkbox"/> On-site renewable energy potential |
| <input type="checkbox"/> Water consumption audit | <input type="checkbox"/> GHG emissions profile |
| <input type="checkbox"/> Energy rating certificate(s) | <input type="checkbox"/> Resilience assessment |
| <input type="checkbox"/> Green building certification(s) | <input type="checkbox"/> Habitat biodiversity impact(s) |
| <input type="checkbox"/> Health and well-being attributes | <input type="checkbox"/> Waste generation/diversion audit |
| <input type="checkbox"/> Exposure to regulatory risk | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Climate change adaptation | |

Describe how this information is incorporated into loan decision-making including any thresholds (maximum 250 words)

No

4 points, E, IL

Intent Identify sustainability-related risks are incorporated during risk underwriting. Participants should mark which risk factors are reviewed, then elaborate on how this information is included into loan decision making.

Terminology

Biodiversity and habitat: Issues related to wildlife, endangered species, ecosystem services, habitat management, and related topics.

Climate change adaptation: Preparation for long-term change in climatic conditions or climate-related events.

Energy consumption: Fuel consumption or energy management from renewable and non-renewable resources.

Energy rating: Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.

GHG emissions: GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF₃) and sulphur hexafluoride (SF₆).

Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

Health, safety and well-being: A risk assessment on health, safety and well-being might address only one or all three of these topics and could include assessments of risks associated with employees, customers, surrounding communities or all of the above.

Natural hazards: Examples can include, but are not limited to: flooding, drought, hail storms, earthquakes, fire (including wildfire).

On-site renewable energy: Any source of energy produced at the property that can be used without depleting reserves including energy from the sun, wind, water and the earth's core. Technologies should be available onsite, such as photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Property condition: A report prepared by an engineering firm identifying property items requiring immediate repair, and additional items requiring attention over the loan term.

Regulatory risks: Examples can include, but are not limited to: mandatory energy/carbon disclosure schemes, changes to lettable or rentable status, changes in taxes (e.g. carbon tax), energy price volatility, zoning changes, etc.

Resilience assessment: Assessing an asset's ability to continue to function, or return to function, after disruption from catastrophic events or long-term change.

Socio-economic risks: Impact on social well-being, livelihoods and prosperity of local communities and individuals. Examples include: economic/political instability, vulnerability to pandemics and epidemics, crime and vandalism, and the displacement of people.

Transportation risks: A risk analysis based on building location in relation to pedestrian, bicycle and mass-transit networks, in context of existing infrastructure and surrounding area amenities.

Water consumption: The planning, development, distribution and management for optimum use of water resources.

Waste management: Issues associated with waste generation, reuse, recycling, composting, recovery, incineration, landfill, and storage.

Requirements

Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Open text box: Description should fully support each element selected above and following elements:

1. Describe how the outcome of the review is integrated into the entity's loan underwriting or lending decision making process;
2. State the entity's internal thresholds used to direct this process.

Other: State applicable action and/or sustainability-related risk. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Borrower Assessment

Q13 Are there formal policies in place that underlie the organization's responsible lending practices and processes?

new

Yes

Describe core elements and how this policy is applied in borrower assessment (maximum 250 words)

Upload Indicate where in the evidence the relevant information can be found _____

No

3 points, S, MP

Intent	Identify how the organization's responsible lending policies are incorporated by the real estate lending unit. Participants should elaborate on main policy elements and implementation in practice.
Terminology	Responsible lending: Process that includes borrower assessment, creditworthiness and loan impact analysis based on internal guidance and thresholds.
Requirements	Select yes or no. If selecting yes, please complete the open text box. Checkboxes: Multiple answers are possible. Please select all applicable answers. Open text box: Description should fully support each element selected above and following elements: <ol style="list-style-type: none">1. Describe core elements of the responsible lending policy;2. Elaborate how these elements are practically applied. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document. Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid.
Scoring	Supporting evidence is mandatory. Your answer will not be scored unless the uploaded document is considered valid based on the criteria stated above. Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Yes

Select applicable issues (multiple answers possible)

- Borrower or sponsor misconduct
- Environmental fines and penalties
- Community engagement/social programs
- Review of borrower sustainability track record
- Use of building monitoring and tracking systems that includes:
 - Energy metrics
 - Water metrics
 - Waste metrics
 - GHG metrics
- Other _____

Provide context on how borrower specific information is incorporated into lending decision (maximum 250 words)

No

3 points, S, IL

Intent

Identify actions and metrics used in borrower / sponsor risk assessments, then provide context describing how this information is incorporated into lending decisions.

Terminology

Community engagement: Community means persons or groups of people living and/or working in areas that are (positively or negatively) impacted by the borrower's operations.

Environmental fines and/or penalties: Sanctions resulting from an illegal act which directly harms the environment.

Misconduct: Unethical behavior, and more specifically, poor stewardship of environmental, social or governance issues, which may or may not result in legal action.

Monitoring and tracking systems: A structured approach towards measuring and managing sustainability related information.

Sponsor: The entity that provides equity to a Borrower in a real estate finance transaction.

Sustainability track record: Data that reflects the sustainability performance of a borrower or sponsor.

Requirements

Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Open text box: Description should fully support each element selected above and following elements:

1. Describe how the outcome of the review is integrated into the entity's loan underwriting or lending decision-making process;
2. Provide context on what actions are taken if borrower review yields negative outcome.

Other: State borrower specific metric. Other answers should be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Yes

Select applicable actions (multiple answers possible)

- Third party document review
- Onsite property visit(s)
- Review of final green building certification documents
- Inspect design documents for energy efficiency measures/ratings
- Require energy rating within one year of occupancy
- Other _____

Describe the lender engagement process to ensure borrower adherence (maximum 250 words)

No

Not applicable

2 points, S, IL

Intent	Identify lender processes used to inspect and assure borrower actions during or after property improvements. Participants should select applicable actions, then elaborate on engagement process implemented to ensure borrower adherence.
Terminology	<p>Design document inspection: Procedures that include evaluation and review of design related documents for construction projects and/or tenant fit outs.</p> <p>Document review: Systematic analysis of financial data, third party reports, and related documentation provided by borrower as part of a loan transaction.</p> <p>Energy rating: Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.</p> <p>Onsite property visit(s): A process when the lender or a designated third-party checks the property for actions or other changes in accordance with the loan terms.</p>
Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Open text box: Description should fully support each element selected above and following elements:</p> <ol style="list-style-type: none"> 1. Describe the overall engagement process with borrower regarding property improvements; 2. Elaborate on actions to ensure borrower adherence. <p>Other: State review process or similar action. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	No additional evidence is required for this indicator.
Scoring	<p>Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.</p> <p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>



Monitoring

Intent and Overview

This Aspect focuses on the established KPI tracking system and overall monitoring process. The purpose of the section is to (1) evaluate system that collects/organizes/manages sustainability KPIs; (2) understand current portfolio tracking level for energy ratings and green building certifications.

Monitoring System

2016 Question

Q16

Does the entity track the sustainability aspects of its commercial real estate loan portfolio?

new

Yes

Select loan types (multiple answers possible)

- Originated - On book
- Originated - Securitized
- Syndicated
- Credit Enhancement
- Secondary Market Purchases
- Other _____

No

1 point, G, IL

Intent

Identify lender systems, actions and/or processes implemented to track and monitor sustainability metrics within the loan portfolio. Participants should elaborate specific loan types tracked.

Terminology

Credit Enhancement: A process designed to lower loan default risk through additional assurance.

Originated - on book: Loans that are originated and held by the primary lender through to maturity.

Originated - securitized: Borrowing made on the basis of property security pledged by the borrower.

Secondary Market Purchases: The purchase of existing commercial real estate loans not originated by the entity via the secondary market.

Syndicated Loan: A large loan arranged by a group of international banks that form a syndicate, headed by a lead manager.

Requirements

Select yes or no. If selecting yes, please also review the provided checkboxes.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Other: State another loan type. Other answers should be outside options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Yes

Select applicable KPIs (multiple answers possible)

- Water consumption
- Energy consumption
- Energy ratings
- GHG emissions
- On-site renewable energy generation
- Social factors _____
- Governance factors _____
- Other _____

What percentage of the loan portfolio is monitored for KPIs _____

Describe the system that collects/organizes/manages sustainability KPIs related to loan collateral (maximum 250 words)

No

3 points, G, IL

Intent

Identify specific actions implemented to monitor sustainability KPIs. Participants should select each KPI tracked, then describe that system that collects, organizes and manages this information.

Terminology

Energy consumption: Fuel consumption or energy management from renewable and non-renewable resources.

Energy rating: Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.

GHG emissions: GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF₃) and sulphur hexafluoride (SF₆).

Governance Issues: Governance systems including organization structure and composition.

On-site renewable energy: Any source of energy produced at the property that can be used without depleting reserves including energy from the sun, wind, water and the earth's core. Technologies should be available onsite, such as photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Social issues: The organization's direct or indirect impacts on the social systems within which it operates.

Water consumption: The planning, development, distribution and management for optimum use of water resources.

Requirements

Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Note: Under checkboxes 'Social factors' and 'Governance factors' participants must elaborate which related KPIs are monitored.

Open text box: Description should fully support each element selected above and following elements:

1. Describe how sustainability KPIs are collected (frequency and scope);
2. Elaborate on how this information is used in practice

Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period.

Other: State sustainability-related metric. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Overall portfolio coverage is used for information purposes only and not scored.

Portfolio Monitoring

Q18 Does the lender specifically identify and track loans it defines as "green"? new

Yes

Select applicable "green" attributes (multiple answers possible)

- Building certifications
- Energy efficiency upgrades
- Water efficiency upgrades
- Renewable energy installations
- Other _____

Elaborate on the lender's definition of "green loan" (maximum 250 words)

What percentage of the loan portfolio is defined as "green"?

Percentage portfolio ▼

No

Select the % portfolio

- | | |
|----------------|-----------------|
| ▼ > 0%, < 10% | ▼ ≥ 40%, < 60% |
| ▼ ≥ 10%, < 20% | ▼ ≥ 60%, < 80% |
| ▼ ≥ 20%, < 40% | ▼ ≥ 80%, ≤ 100% |

2.5 points, S, MP

Intent

Describe the sustainability-related attributes tracked within the loan portfolio. Participants should elaborate on the definition of "green" and describe the underlying attributes.

Terminology

Energy efficiency: Refers to products or systems using less energy to provide the same consumer benefit.

Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

On-site renewable energy: Any source of energy produced at the property that can be used without depleting reserves, including energy from the sun, wind, water and the earth's core. Technologies should be available onsite, such as photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Water efficiency: Refers to the conservative use of water resources through water-saving technologies intended to reduce consumption.

Requirements Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Open text box: Description should fully support each element selected above and following elements:

1. Provide internal "green loan" definition and all included attributes;
2. Describe "green loan" lending process and how it differs from the regular loan.

Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period.

Other: State "green" attribute. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence No additional evidence is required for this indicator.

Scoring Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Overall portfolio coverage is used for information purposes only and not scored.

Q19 Does the entity maintain a systematic process to address and monitor the existing loan portfolio's exposure to natural disaster risk?

Q22

Yes

Describe the process and KPIs used in monitoring (maximum 250 words)

What percentage of the loan portfolio is exposed to natural disaster risk?

Percentage portfolio

No

Select the % portfolio

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> > 0%, < 10% | <input type="checkbox"/> ≥ 40%, < 60% |
| <input type="checkbox"/> ≥ 10%, < 20% | <input type="checkbox"/> ≥ 60%, < 80% |
| <input type="checkbox"/> ≥ 20%, < 40% | <input type="checkbox"/> ≥ 80%, ≤ 100% |

2 points, E, IL

Intent Identify attributes and process(es) used to assess natural disaster risks. Participants should provide additional context on monitoring process and actions taken to mitigate risk(s).

Terminology **Natural hazards:** Examples can include, but are not limited to: flooding, drought, hail storms, earthquakes, fire (including wildfire).

Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Open text box: Description should fully support each element selected above and following elements:</p> <ol style="list-style-type: none"> 1. Describe overall approach to assess/mitigate natural disaster risk; 2. Elaborate on KPIs used in risk monitoring. <p>Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	No additional evidence is required for this indicator.
Scoring	<p>Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.</p> <p>Portfolio coverage percentages are allocated to sub-groups and receive points depending on the group reported.</p>

Q20 **Does the entity monitor actual energy performance within the existing commercial real estate loan portfolio?** new

- Yes
- Borrowers are required to submit
- Annual energy consumption data
 - Monthly energy consumption data
 - Other _____

Consumption data is available for _____% of the loan portfolio

Percentage portfolio ▼

- No

Select the % portfolio

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> > 0%, < 10% | <input type="checkbox"/> ≥ 40%, < 60% |
| <input type="checkbox"/> ≥ 10%, < 20% | <input type="checkbox"/> ≥ 60%, < 80% |
| <input type="checkbox"/> ≥ 20%, < 40% | <input type="checkbox"/> ≥ 80%, ≤ 100% |

1.5 points, E, IL

Intent	Describe methods and measures used to track actual energy performance within the lending portfolio. Participants should indicate information submission frequency and data coverage within the loan portfolio.
Terminology	Energy consumption: Fuel consumption or energy management from renewable and non-renewable resources.
Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period.</p> <p>Other: State time frame. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	No additional evidence is required for this indicator.

Scoring

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Portfolio coverage percentages are allocated to sub-groups and receive points depending on the group reported.

Q21

Does the lender monitor energy ratings within the loan portfolio?

Q23

Yes

Report percentage of the portfolio which has received an energy rating

Select energy ratings present within entity's portfolio

- EU - Energy Performance Certificate. _____ % of portfolio.
- Australia - NABERS Energy. _____ % of portfolio.
- North America - ENERGY STAR. _____ % of portfolio.
- Government efficiency benchmark _____ . _____ % of portfolio.
- Other. Please specify scheme name _____. _____ % of portfolio.

No

Select the % portfolio

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> > 0%, < 10% | <input type="checkbox"/> ≥ 40%, < 60% |
| <input type="checkbox"/> ≥ 10%, < 20% | <input type="checkbox"/> ≥ 60%, < 80% |
| <input type="checkbox"/> ≥ 20%, < 40% | <input type="checkbox"/> ≥ 80%, ≤ 100% |

4 points, E, IL

Intent

Describe methods and measures used to track energy performance certificates. Participants should report the percentage of the loan portfolio with energy rating, then specify rating schemes present.

Terminology

Energy certificate: A certificate that states the energy efficiency performance of buildings based on a benchmark. An example includes the Energy Performance Certificate regime introduced by the EU Energy Performance of Buildings Directive in 2010.

Energy rating: Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.

ENERGY STAR: A voluntary scheme designed by the US Environmental Protection Agency (EPA) that measures the energy efficiency of buildings. ENERGY STAR ratings are mandatory in some US cities and states.

Government energy efficiency benchmarking: An energy benchmarking scheme that is mandated by the government other than the EU EPC or NABERS Energy. Examples of energy efficiency benchmarking programs include New York City's Local Law 84, Washington, DC's Clean and Affordable Energy Act of 2008, or California's Assembly Bill 1103. Disclosure may be annual or coincide with financial transactions

NABERS Energy: The National Australian Built Environment Rating System (NABERS) measures the energy performance of buildings.

Requirements	Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box. Checkboxes: Multiple answers are possible. Please select all applicable answers. Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period. Other: State energy system. Other answers must be outside the options listed in the indicator. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	No additional evidence is required for this indicator.
Scoring	Points are awarded to each individual option, then aggregated to calculate final points for the indicator. Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated. It is not necessary to select all answer options in order to obtain the maximum points for this indicator. Scoring is based on the total coverage, and the corresponding coverage of individual rating types.

Q22 **Q24** **Does the lender monitor its loan portfolio for green building certificates?**

Yes

Report percentage of the portfolio with one or more green building (re) certifications within the last five (5) years:

Select schemes present within entity's portfolio

- BREEAM. _____ % of portfolio within the last 5 years
- CASBEE. _____ % of portfolio within the last 5 years
- DGNB. _____ % of portfolio within the last 5 years
- Green Star [AU/NZ]. _____ % of portfolio within the last 5 years
- LEED. _____ % of portfolio within the last 5 years
- Other. Please specify scheme _____. _____ % of portfolio within the last 5 years

No

Select the % portfolio

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> > 0%, < 10% | <input type="checkbox"/> ≥ 40%, < 60% |
| <input type="checkbox"/> ≥ 10%, < 20% | <input type="checkbox"/> ≥ 60%, < 80% |
| <input type="checkbox"/> ≥ 20%, < 40% | <input type="checkbox"/> ≥ 80%, ≤ 100% |

4 points, E, IL

Intent	Identify the types, amounts and percentages of loan collateral with a green building certification.
Terminology	BREEAM: The Building Research Establishment's Environmental Assessment Method and rating system for buildings. CASBEE: The Comprehensive Assessment System for Built Environment Efficiency from Japan, a tool for assessing and rating the environmental performance of buildings and built environment. DGNB: Deutsche Gesellschaft für Nachhaltiges Bauen e.V. (The German Sustainable Building Council) is an organization that assesses the sustainability of buildings and urban districts. Green Star: The Green Building Council of Australia's building certification scheme.

LEED: The Leadership in Energy and Environmental Design green building program established by the US Green Building Council.

Scheme name: The name of the Green Building Certification.

Requirements

Select yes or no. If selecting yes, please also review the provided checkboxes.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Coverage is calculated based on the outstanding loan value (UPB) due the entity at the end of the reporting period.

Other: State green building certification scheme. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Scoring is based on the total coverage, and the corresponding coverage of individual rating types.



Opportunities

Intent and Overview

This Aspect focuses on actions that entity takes to facilitate the transformation of the built environment while simultaneously creating new financial opportunities. The purpose of this section is to (1) understand current approach towards collateral appraisals; (2) review loan program(s) focused on improved environmental impacts; (3) assess use of materiality analysis.

Market Transformation

2016 Question

Q23.1 Does the lender require valuation professionals to identify and include high performance attributes within its Appraisal Scope of Work?

new

Yes

Identify additional attributes included in the Scope of Work:

- Equipment operating efficiencies - energy/water
- Advanced building controls
- Onsite renewable energy generation
- Peak load energy demand reduction
- Onsite energy storage
- Indoor environmental quality
- Multi-modal transit access
- Energy ratings
- Other _____

Identify market analysis attributes:

- Energy ratings
- Green building certifications
- Lease rate differentials
- Operating expense differences
- Capitalization rate divergence
- Other _____

Provide additional context (maximum 250 words)

No

3 points, G, IL

Intent

Identify attributes specifically defined and articulated in the Appraisal Scope of Work. Participants should select all attributes included, then provide appropriate context.

Terminology

Advanced building controls: Management and control systems designed to optimize whole building energy performance.

Capitalization rate divergence: Differences in the rate of return on a real estate property based on a thorough collateral risk assessment.

Energy rating: Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.

Equipment operating efficiencies: An analysis of on-site HVAC equipment performance and control system protocols with the objective of achieving greater economic outcomes.

Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

Indoor environmental quality: Refers to interior building conditions including air quality, access to daylight and views, pleasant acoustic conditions, and occupant control over lighting and thermal comfort. It may also include the functional aspects of space layout.

Lease rate differentials: Difference between rental income received over a specified time period amongst various asset types, conditions and market position.

Multi-modal transit access: Location of a building in relation to pedestrian, bicycle and mass-transit networks, existing infrastructure and surrounding area amenities.

Operating expense differences: Within the portfolio, the identification of operating expense ranges amongst various asset types, conditions and market position.

Onsite energy generation: Source energy produced at the building site that can be used without depleting reserves including energy from the sun, wind, water and the earth's core. Onsite technologies include photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Onsite energy storage: The identification of energy storage technology at the building including storage capacity and actual performance metrics.

Peak load energy demand: The energy demand profile of a building during the time of peak demand on the energy grid during a billing cycle.

Requirements

Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.

Checkboxes: Multiple answers are possible. Please select all applicable answers.

Open text box: Description should fully support each element selected above and following elements:

1. Describe overall appraisal approach and use in decision making;
2. Elaborate in which cases lender includes additional attributes within the Scope of Work.

Other: State appraisal attribute. Other answers must be outside the options listed in the indicator.

Reporting period: Your answer must refer to the reporting period identified in EC5.

Reporting level: Answers should be applicable at the entity / fund / unit level.

Evidence

No additional evidence is required for this indicator.

Scoring

Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Points are awarded to each individual option, then aggregated to calculate final points for the indicator.

Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.

It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q23.2 Are borrowers required to provide high-performance building information for analysis and inclusion in the final valuation report?

new

Yes

Select all applicable (multiple answers possible)

- Utility bills
- Property condition assessment reports
- Energy audits
- Statements of energy performance
- Building commissioning reports
- Energy modeling reports
- Green building certification scorecard/report
- Building design plans and/or construction specifications
- Other _____

No

1 point, E, IL

Intent	Identify the scope of information regarding the property's sustainability-related attributes as requested from the borrower during loan due diligence.
Terminology	<p>Building commissioning reports: A report prepared by a licensed engineer that evaluates building systems by analyzing proper installation, function and capabilities when compared to design intent.</p> <p>Building design plans and/or construction specifications: Documents that specify layouts, key dimensions, levels and materials.</p> <p>Energy audit: A process for assessing existing energy consumption patterns and evaluating measures needed to increase energy efficiency.</p> <p>Energy modeling reports: A computer simulation detailing building energy inputs and consumption patterns to arrive at a range of energy performance projections.</p> <p>Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.</p> <p>Property condition assessment: A report prepared by an engineering firm identifying property items requiring immediate repair, and additional items requiring attention over the loan term.</p> <p>Utility bills: Costs related to energy consumption, water consumption, and/or waste removal.</p>
Requirements	<p>Select yes or no. If selecting yes, please also review the provided checkboxes.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Other: State the information/report type. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	No additional evidence is required for this indicator.
Scoring	<p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>

Q24

Does the entity provide financing for property improvements resulting in improved environmental impacts?

Q27

Yes

Targeted environmental impacts include (multiple answers possible)

- Water efficiency
- Reduced CO2 emissions
- Energy efficiency
- Improved waste management
- Other _____

Provide description of the loan program(s) (maximum 250 words)

Upload Indicate where in the evidence the relevant information can be found _____

No

2 points, S, IL

Intent	Describe specific lender programs for funding property improvements that result in improved building efficiencies and/or positive environmental impacts. Participants should select targeted environmental impacts and describe available loan program(s).
---------------	--

Terminology	<p>Energy efficiency: Products or systems that utilize less energy to provide the same consumer benefit.</p> <p>Property improvements resulting in improved environmental impacts: Improvements that contribute to lowering environmental impacts, including but not limited to, increased energy efficiency, lower GHG emissions, and/or water consumption reduction.</p> <p>Waste management: Issues associated with waste generation, reuse, recycling, composting, recovery, incineration, landfill, and storage.</p> <p>Water efficiency: The use of water-saving technologies in building systems and/or outdoor irrigation intended to reduce consumption.</p>
Requirements	<p>Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box.</p> <p>Checkboxes: Multiple answers are possible. Please select all applicable answers.</p> <p>Open text box: Description should fully support each element selected above and following elements:</p> <ol style="list-style-type: none"> 1. Describe the main components of the loan program(s) for property improvements; 2. Elaborate how sustainability impact is tracked and what indicators are used. <p>Other: State sustainability-related factor/impact. Other answers must be outside the options listed in the indicator.</p> <p>Reporting period: Your answer must refer to the reporting period identified in EC5.</p> <p>Reporting level: Answers should be applicable at the entity / fund / unit level.</p>
Evidence	<p>Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.</p> <p>Evidence provided must demonstrate each of the selected criteria, or will be deemed invalid. Evidence is not mandatory.</p>
Scoring	<p>Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.</p> <p>Points are awarded to each individual option, then aggregated to calculate final points for the indicator.</p> <p>Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated.</p> <p>It is not necessary to select all answer options in order to obtain the maximum points for this indicator.</p>

Q25 **For loans targeting energy efficiency improvements, does the lender provide specific loan incentives?** **new**

Yes

Loan attributes include (multiple answers possible)

- Greater loan proceeds
- Reduced interest rate
- Greater LTV ratio
- Increased debt service coverage ratio
- Other _____

Provide incentive description and example(s) (maximum 250 words)

No

Not applicable

2 points, G, IL

Intent	Describe the components of any loan programs targeting energy efficiency improvements. Participants should elaborate on loan attributes and provide a description of the available product(s).
Terminology	Debt coverage ratio: Measure of the cash flow available to pay current debt obligations. Interest rate: Annual percentage of the outstanding loan the borrower pay to the lender as the cost of borrowing. Loan Proceeds: Net amount distributed by a lender to the borrower under the terms of the loan agreement. LTV ratio: Expresses the ratio of a loan value to the value of the property.
Requirements	Select yes or no. If selecting yes, please select all applicable sub-options and complete the open text box. Checkboxes: Multiple answers are possible. Please select all applicable answers. Open text box: Description should fully support each element selected above and following elements: <ol style="list-style-type: none">1. Describe main components of the loan program(s) focused on energy efficiency improvement;2. Elaborate on how long program is in operation and applicable borrower types. Other: State loan attribute. Other answers must be outside the options listed in the indicator. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	No additional evidence is required for this indicator.
Scoring	Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements. Points are awarded to each individual option, then aggregated to calculate final points for the indicator. Providing more than one "Other" will not impact points awarded. Answers are validated individually; scores are not aggregated. It is not necessary to select all answer options in order to obtain the maximum points for this indicator.

Q26 **Has the lender engaged in a materiality analysis of long-term sustainability risks that may impact the existing loan portfolio?** new

Yes

Provide description including any mitigating actions (maximum 500 words)

No

3 points, G, MP

Intent	Describe the lending units approach to identifying material long-term, sustainability-based portfolio risk factors. Participants should provide context on the breadth, depth and scope of the materiality analysis, including identified risks and mitigating actions.
Terminology	Mitigating actions: Actions in place to reduce and/or manage identified risks. Materiality analysis: Process to identify critical environmental, social and/or governance issues which may impact business performance.
Requirements	Select yes or no. If selecting yes, please complete the open text box. Open text box: Description should fully support each element selected above and following elements: <ol style="list-style-type: none">1. Describe scope of the materiality analysis;2. Identify which long-term sustainability risks were identified;3. Elaborate on mitigating actions taken to reduce risk impact. Reporting period: Your answer must refer to the reporting period identified in EC5. Reporting level: Answers should be applicable at the entity / fund / unit level.
Evidence	No additional evidence is required for this indicator.
Scoring	Full, partial or no points are awarded to open text box responses. Responses are assessed based on compliance with the indicator requirements.

Appendix

1: Terminology - Definitions and Interpretations

Term	Definition
Advanced building controls	Management and control systems designed to optimize whole building energy performance.
Alignment	To agree and match with a recognized standard (either voluntary or mandatory).
Annual performance targets	Targets set in annual performance reviews, which are assessments of employee performance.
Appraisal or valuation report	Report provided by a third party valuation expert for the subject property (or properties).
Asset manager	An individual responsible for developing, overseeing and/or implementing investment strategies at the loan or asset level.
Biodiversity and habitat	Issues related to wildlife, endangered species, ecosystem services, habitat management, and related topics.
Board of Directors	A group of individuals empowered to carry out certain oversight and strategic management tasks as spelled out in the organization's charter.
Borrower submitted sustainability asset plan	A borrower's long-term plan detailing how sustainability measures will be embedded into the property's lifecycle.
BREEAM	The Building Research Establishment's Environmental Assessment Method and rating system for buildings.
Building commissioning reports	A report prepared by a licensed engineer that evaluates building systems by analyzing proper installation, function and capabilities when compared to design intent.
Building design plans and/or construction specifications	Documents that specify layouts, key dimensions, levels and materials.
Capitalization rate divergence	Differences in the rate of return on a real estate property based on a thorough collateral risk assessment.
CASBEE	The Comprehensive Assessment System for Built Environment Efficiency from Japan, a tool for assessing and rating the environmental performance of buildings and built environment.
Chief Credit Officer	An individual responsible for providing credit information, loan policies and procedures to ensure the overall quality of the loan portfolio.
Chief Risk Officer	An individual responsible for identifying, analyzing and mitigating internal and external events that could impact debt repayment or collateral/security quality.
Climate change adaptation	Preparation for long-term change in climatic conditions or climate-related events.
Community	Persons or groups of people living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by the organization's operations.
Credit Committee	The committee that assesses the credit risk of making a Loan to a Borrower.
Credit Enhancement	A process designed to lower loan default risk through additional assurance.
Design document inspection	Procedures that include evaluation and review of design related documents for construction projects and/or tenant fit outs.
DGNB	Deutsche Gesellschaft für Nachhaltiges Bauen e.V. (The German Sustainable Building Council) is an organization that assesses the sustainability of buildings and urban districts.
Document review	Systematic analysis of financial data, third party reports, and related documentation provided by borrower as part of a loan transaction.
Energy audit	A process for assessing existing energy consumption patterns and evaluating measures needed to increase energy efficiency.
Energy efficiency	Products or systems that utilize less energy to provide the same consumer benefit.
Energy modeling reports	A computer simulation detailing building energy inputs and consumption patterns to arrive at a range of energy performance projections.

Term	Definition
Energy Rating	Rating from scheme that measures the energy efficiency performance of buildings. It may be a scheme solely concerned with measuring energy performance or can be the energy rating element of a larger scheme measuring environmental performance.
ENERGY STAR	A voluntary scheme designed by the US Environmental Protection Agency (EPA) that measures the energy efficiency of buildings. ENERGY STAR ratings are mandatory in some US cities and states.
Environmental assessment (Phase I, ESA)	A report prepared by a qualified environmental engineer that identifies areas of environmental concern.
Equipment operating efficiencies	An analysis of on-site HVAC equipment performance and control system protocols with the objective of achieving greater economic outcomes.
ESG KPIs	Performance indicators related to strategic priorities and connected to ESG issues. Can include both qualitative and quantitative indicators/targets.
Fund/portfolio manager	An individual who manages a portfolio of investments by creating and overseeing the implementation of real estate credit strategies across the entire entity portfolio.
GHG emissions	Seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO ₂); methane (CH ₄); nitrous oxide (N ₂ O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF ₃) and sulphur hexafluoride (SF ₆).
Government energy efficiency benchmarking	An energy benchmarking scheme that is mandated by the government other than the EU EPC or NABERS Energy. Examples of energy efficiency benchmarking programs include New York City's Local Law 84, Washington, DC's Clean and Affordable Energy Act of 2008, or California's Assembly Bill 1103. Disclosure may be annual or coincide with financial transactions.
Green Building Certificate	Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.
Green Star	The Green Building Council of Australia's building certification scheme.
Health impact assessment	Procedure that evaluates the potential health effects of a project/program on the population surrounding a particular building.
Health, safety and well-being	A risk assessment on health, safety and well-being might address only one or all three of these topics and could include assessments of risks associated with employees, customers, surrounding communities or all of the above.
Indoor environmental quality	Refers to interior building conditions including air quality, access to daylight and views, pleasant acoustic conditions, and occupant control over lighting and thermal comfort. It may also include the functional aspects of space layout.
Investment Committee	An internal governing body responsible for oversight of an entity's investment activities, policies and strategies.
Lease rate differentials	Difference between rental income received over a specified time period amongst various asset types, conditions and market position.
LEED	The Leadership in Energy and Environmental Design green building program established by the US Green Building Council.
Loan Covenant	Conditions included in the loan terms requiring the borrower to fulfill certain conditions or taking certain actions.
Loan Portfolio Manager	An individual responsible for ongoing portfolio management, preparing loan reviews and updating the portfolio risk analysis.
Loan Servicing Team	A team of individuals responsible for post-closing loan administration. They may collect, apply and distribute payments, and facilitate borrower reporting.
Loan Underwriting Team	A team of individuals responsible for performing initial risk analysis and determining loan eligibility based on the organization or entity's established lending policy and parameters.
Materiality analysis	Process to identify critical environmental, social and/or governance issues which may impact business performance.
NABERS Energy	The National Australian Built Environment Rating System (NABERS) measures the energy performance of buildings.

Term	Definition
Natural hazards	Examples can include, but are not limited to: flooding, drought, hail storms, earthquakes, fire (including wildfire).
Onsite energy generation	Source energy produced at the building site that can be used without depleting reserves including energy from the sun, wind, water and the earth's core. Onsite technologies include photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.
Operating expense differences	Within the portfolio, the identification of operating expense ranges amongst various asset types, conditions and market position.
Peak load energy demand	The energy demand profile of a building during the time of peak demand on the energy grid during a billing cycle.
Property condition assessment (PCA)	A report prepared by an engineering firm identifying property items requiring immediate repair, and additional items requiring attention over the loan term.
Property improvements resulting in improved environmental impacts	Improvements that contribute to lowering environmental impacts, including but not limited to, increased energy efficiency, lower GHG emissions, and/or water consumption reduction.
Resilience assessment	Assessing an asset's ability to continue to function, or return to function, after disruption from catastrophic events or long-term change.
Responsible lending	A process that includes borrower assessment, creditworthiness and loan impact analysis based on internal guidance and thresholds.
Risk Management Committee	A group of individuals that assess internal and/or external risks that could impact debt repayment, collateral quality or loan security.
Screening and risk determination	Internal processes focused on uncovering and acknowledging risks associated with a specific lending decision.
Stakeholder engagement	Engagement with individuals/groups that have an interest in the entity.
Sustainability objectives	Strategic priorities and key topics to improve the management of ESG issues.
Sustainability performance	Indicators of environmental, social, or governance (ESG) management, implementation or performance.
Sustainability taskforce/committee	A group of individuals who meet regularly to discuss and monitor the implementation of the organization's sustainability objectives.
UPB	The unpaid portfolio balance is the total outstanding loan value of the entity's portfolio at the end of the reporting period.

2: Assurance and Verification Schemes

Select scheme from list below (Q6.2):

- ▼ AA1000 Assurance Standard
- ▼ Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)
- ▼ Airport Carbon Accreditation (ACA) des Airports Council International Europe
- ▼ Alberta Specified Gas Emitters Regulation
- ▼ ASAE 3000
- ▼ Attestation Standards established by the American Institute of Certified Public Accountants/AICPA (AT101)
- ▼ Australia National Greenhouse and Energy Regulations
- ▼ California Mandatory Greenhouse Gas Reporting Regulation (NGER Act) (also known as Californian Air Resources Board regulations)
- ▼ Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025
- ▼ Carbon Trust Standard
- ▼ Certified Emissions Measurement and Reduction Scheme (CEMARS)
- ▼ Chicago Climate Exchange verification standard
- ▼ Compagnie Nationale des Commissaires aux Comptes (CNCC)
- ▼ Corporate GHG Verification Guidelines from ERT
- ▼ DNV Verisustain Protocol/ Verification Protocol for Sustainability Reporting
- ▼ ERM GHG Performance Data Assurance Methodology
- ▼ IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues
- ▼ ISAE 3000
- ▼ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements
- ▼ ISO 14064-3
- ▼ JVETS (Japanese Voluntary Emissions Trading Scheme) Guideline for verification
- ▼ Korean GHG and Energy Target Management System
- ▼ NMX-SAA-14064-3-IMNC: Instituto Mexicano de Normalización y Certificación A.C
- ▼ RevR6 Procedure for assurance of sustainability report from Far, the Swedish auditors professional body
- ▼ Saitama Prefecture Target-Setting Emissions Trading Program
- ▼ SGS Sustainability Report Assurance
- ▼ Spanish Institute of Registered Auditors (ICJCE)
- ▼ Standard 3410N Assurance engagements relating to sustainability reports of the Royal Netherlands Institute of Registered Accountants
- ▼ State of Israel Ministry of Environmental Protection, VERIFICATION OF GREENHOUSE GAS EMISSIONS AND EMISSIONS REDUCTION IN ISRAEL GUIDANCE DOCUMENT FOR CONDUCTING VERIFICATIONS, Process A
- ▼ The climate Registry General Verification Protocol (also known as California Climate Action Registry (CCAR))
- ▼ Tokyo Emissions Trading Scheme
- ▼ Verification under the EU Emissions Trading Scheme (EU ETS) Directive and EU ETS related national implementation laws

3: Name of Organization - Validation Questions

Organization website _____

Office location (city/country) _____

Who could GRESB contact for validation purposes?

Name _____

Email _____

Phone number _____

NB: This information is only used for validation purposes where the organization is not yet confirmed as a valid answer in GRESB's validation database.

4: Document upload cover page

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Indicator

Brief description of contents (in English)

Document title(s)

Location of relevant information:

Element	Location (page, paragraph)
e.g. biodiversity and habitat	P.2, second paragraph

Notes

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