GRESB

REAL ESTATE DEBT

2016
GRESB Debt Assessment

April 1, 2016

Entity Characteristics

EC1 **Entity name** ____________________

Organization name (if applicable) ____________________

EC2 **Nature of business:** new

Nature of the organization

- ○ Bank
- ○ Insurance company
- ○ Mortgage REIT
- ○ Pension fund
- ○ Private equity real estate fund manager
- ○ Sovereign wealth fund
- ○ Other ____________________

Nature of the entity (multiple answers possible)

- ☐ Asset originator
  - ☐ Originator of balance sheet loans

    ________% of annual originations held on balance sheet
  - ☐ Originator of off-balance sheet loans (intended for securitization)

    ________% of annual originations securitized
- ☐ Asset purchaser

The entity is a:

- ○ Public company. Please specify ISIN ____________________
- ○ Non-listed entity
- ○ Other ____________________

EC3 **The reporting period is:**

- ○ Calendar year
- ○ Fiscal year. Specify the starting month ____________________

Reporting Characteristics

RC1 **Values are reported in:**

- Euro (EUR)
- Pound Sterling (GBP)
- United States Dollar (USD)
- Australian Dollar (AUD)
- Brazilian Real (BRL)
- Canadian Dollar (CAD)
- Chinese Yuan (CNY)
- Danish Krone (DKK)
- Hong Kong Dollar (HKD)
- Indian Rupee (INR)
- Japanese Yen (JPY)
- Malaysian Ringgit (MYR)
- Mexican Peso (MXN)
- Singapore Dollar (SGD)
- South African Rand (ZAR)
- South Korean Won (KRW)
- Swedish Krona (SEK)
- Swiss Franc (CHF)
- Other ____________________

RC2 **What was the entity portfolio's aggregate unpaid principal balance at the end of the reporting period?**

____________________ (in millions)

RC3 **Describe the composition of the entity's portfolio during the reporting period:** new

Property as security (multiple answers possible; must sum to 100%)

- Secured (% of UPB ________)
- Unsecured (% of UPB ________)

Borrower type(s) (multiple answers possible; must sum to 100%)

- Exposure to corporates (% of UPB) ________
- Exposure to SMEs (% of UPB) ________

Participations and syndications

- Syndicated and participated loans (% of UPB) ________

Maturity

- Average loan term ________ (in years)

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

Country	% of UPB
Country	
Country	
Country	

RC5 **Provide additional context for the entity's portfolio composition (maximum 250 words)**

Sustainability Objectives

Q1 **Does the organization have specific sustainability objectives?** 1.1 & 1.2

- Yes

The objectives relate to (multiple answers possible)

- Environment
- Social
- Governance

The objectives are (select one)

- Fully reflected in the overall strategy of the lending entity
- Partially reflected in the overall strategy of the lending entity
- Not reflected in the overall strategy of the lending entity

The objectives are

- Publicly available

Online - hyperlink ______________________

Offline - separate document

UPLOAD supporting evidence

Indicate where the relevant information can be found ______________________

Communicate the broader organization's objectives and how they are incorporated in the entity's real estate finance strategy (maximum 250 words).

____

- Not publicly available

UPLOAD supporting evidence

Indicate where the relevant information can be found ______________________

Communicate the broader organization's objectives and how they are incorporated in the entity's real estate finance strategy (maximum 250 words).

____

- No

Q2 **Does the organization have one or more persons responsible for implementing the sustainability objectives at entity level?** (multiple answers possible) **2**

- ○ Yes
  - ☐ Dedicated employee(s) for whom sustainability is the core responsibility
    - 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 ____________________
  - ☐ External consultant/manager
    - Name of the organization ____________________
    - Name of the main contact ____________________
    - Job title ____________________
    - Email ____________________
  - ☐ Other ____________________
- ○ No

Sustainability Decision-Making

Q3 **Does the organization have a sustainability taskforce or committee that is applicable to the entity?** **3**

- ○ Yes

  Select the members of this taskforce or committee (multiple answers possible)

  - ☐ Asset managers
  - ☐ Board of Directors
  - ☐ Chief Credit Officer
  - ☐ Chief Risk Officer
  - ☐ Credit Committee
  - ☐ External Consultant
    - Name of the organization____________________
  - ☐ Fund/portfolio managers
  - ☐ Loan Servicing Team
  - ☐ Loan Underwriting Team
  - ☐ Senior Management Team
  - ☐ Other ________________
- ○ No

Q4 **Does the organization have a senior decision-maker dedicated to sustainability at the entity level?** 4

- Yes

  The individual is part of

  - Board of Directors
  - Credit Committee
  - Fund/portfolio manager
  - Risk Management Committee
  - Senior Management Team
  - Other ________________

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

  Name ____________________________

  Job title ____________________________

  E-mail (optional) ____________________________

- No

Q5 **Does the entity have a formal process to inform the most senior decision-maker on sustainability performance of the entity?** 5

- Yes

  Describe the process (maximum 250 words)

  ____

- No
- Not applicable

Q6 **Does the organization include sustainability factors in the annual performance targets of the employees responsible for this entity?** 6

- Yes

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

  - All Employees
  - Asset managers
  - Board of Directors
  - Credit Committee
  - Fund/portfolio managers
  - Loan Servicing Team
  - Loan Underwriting Team
  - Risk Management Committee
  - Senior Management Team
  - Other ________________

- No

Sustainability Disclosure

Q7.1 Does the organization disclose its sustainability performance? 7.1

- ○ Yes (multiple answers possible)
  - ☐ Section in Annual Report

    UPLOAD supporting evidence

    Indicate where the relevant information can be found ______

    Select the applicable reporting level

    - ○ Entity
    - ○ Investment manager or business unit
    - ○ Group

    Aligned with Guideline name ▼

  - ☐ Stand-alone sustainability report(s)

    UPLOAD supporting evidence

    Indicate where the relevant information can be found ______

    Select the applicable reporting level

    - ○ Entity
    - ○ Investment manager or business unit
    - ○ Group

    Aligned with Guideline name ▼

  - ☐ Integrated Report

    UPLOAD supporting evidence

    Indicate where the relevant information can be found ______

    Select the applicable reporting level

    - ○ Entity
    - ○ Investment manager or business unit
    - ○ Group

    Aligned with Guideline name ▼

  - ☐ Dedicated section on corporate website

    Provide applicable hyperlink ______

    Select the applicable reporting level

    - ○ Entity
    - ○ Investment manager or business unit
    - ○ Group

- Section in entity reporting to investors

  Indicate where the relevant information can be found

  UPLOAD supporting evidence

  Document name AND Publication date ______________________

  Aligned with [Guideline name ▼]

- Other ____________

  Indicate where the relevant information can be found

  UPLOAD supporting evidence

  Select the applicable reporting level

  - Entity
  - Investment manager or business unit
  - Group

  Aligned with [Guideline name ▼]

- No

Guideline name:

- GRI Sustainability Reporting Guidelines
- IIRC International Integrated Reporting Framework
- PRI Reporting Framework

Q7.2 Is the organization's sustainability disclosure reviewed by an independent third party? 7.2

- ○ Yes

Select all applicable options (multiple answers possible, selections must match answers in Q7.1)

- ☐ Section in Annual Report
  - ○ Externally checked by ______________
  - ○ Externally verified by ______________ using [Scheme name ▼]
  - ○ Externally assured by ______________ using [Scheme name ▼]
- ☐ Stand-alone sustainability report
  - ○ Externally checked by ______________
  - ○ Externally verified by ______________ using [Scheme name ▼]
  - ○ Externally assured by ______________ using [Scheme name ▼]
- ☐ Integrated Report
  - ○ Externally checked by ______________
  - ○ Externally verified by ______________ using [Scheme name ▼]
  - ○ Externally assured by ______________ using [Scheme name ▼]
- ☐ Section in entity reporting to investors
  - ○ Externally checked by ______________
  - ○ Externally verified by ______________ using [Scheme name ▼]
  - ○ Externally assured by ______________ using [Scheme name ▼]
- ☐ Other
  - ○ Externally checked by ______________
  - ○ Externally verified by ______________ using [Scheme name ▼]
  - ○ Externally assured by ______________ using [Scheme name ▼]

- ○ No
- ○ Not applicable

ESG Policies

Q8 **Does the organization have a policy/policies in place, applicable to the entity level, that address(es) governance issues?** 9

- ○ Yes
  - ☐ Bribery and corruption
  - ☐ Diversity and equal opportunity
  - ☐ Executive compensation
  - ☐ Shareholder rights
  - ☐ Worker rights
  - ☐ Other ____________________

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ____________________

  Document name AND Publication date ____________________

- ○ No

Q9 **Does the organization have systems and procedures in place to facilitate effective implementation of the governance policy/policies in Q8?** 13

- ○ Yes

  Select all applicable categories (multiple answers possible)

  - ☐ Internal audit
  - ☐ Training on governance - related to bribery and corruption risks for employees (multiple answers possible)
    - ☐ When an employee joins the organization
    - ☐ Regular follow-ups
  - ☐ Whistle-blower mechanism
  - ☐ Other ____________________

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ____________________

  Document name AND Publication date ____________________

- ○ No
- ○ Not applicable

Q10 **Does the organization have a stakeholder engagement policy in place that applies to the entity level?** **10**

- Yes
  - Borrowers
  - Community
  - Investor/shareholders
  - Government/ local authorities
  - Investment partners
  - Other ____________________

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ____________________

  Document name AND Publication date ____________________

- No

Q11 **Does the organization have an employee policy in place that applies to the employees responsible for this entity?** **11**

- Yes

  Select all issues included (multiple answers possible)

  - Cyber security
  - Diversity and equal opportunity
  - Health, safety and well-being
  - Performance and career development
  - Remuneration
  - Other ____________________

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ____________________

  Document name AND Publication date ____________________

- No

Q12.1 **Does the organization have a policy/policies in place, applicable to the entity level, that address(es) environmental issues at the property?** 8.1

Select all environmental issues included (multiple answers possible)

- Biodiversity and habitat
- Building safety
- Climate/climate change adaptation
- Contamination
- Energy consumption/management
- Environmental attributes of buiding materials
- Flood risk
- GHG emissions/management
- Resilience
- Waste management
- Water consumption/management
- Other ____________________

UPLOAD supporting evidence

Indicate where the relevant information can be found ____________________

Document name AND Publication date ____________________

- No

Q12.2 **Does the organization have a policy/policies in place, applicable to the entity level, that address(es) sustainability standards for property improvements?** 8.2

- Yes

Select all applicable categories (multiple answers possible)

- Capital expenditure
- Fit out or tenant improvement
- New construction
- Rehabilitation
- Retrofit/renovation
- Other ____________________

UPLOAD supporting evidence

Indicate where the relevant information can be found ____________________

Document name AND Publication date ____________________

- No

Property Assessment

Q13 As part of its standard due diligence process, does the entity require the following items? 15

- ○ Yes

  Select all applicable options (multiple answers possible)

  - ☐ Appraisal or valuation report
  - ☐ Borrower submitted sustainability asset plan
  - ☐ Engineering report or property condition assessment (PCA)
  - ☐ Environmental site assessment (ESA)

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ______________________

  Document name AND Publication date ______________________

- ○ No

Q14 As part of its standard due diligence process, does the entity review the sustainability risk profile of each property? 16

- ○ Yes

  Select all issues assessed (multiple answers possible)

  - ☐ Building safety and materials
  - ☐ Climate change and adaptation
  - ☐ Contamination
  - ☐ Energy consumption/management
  - ☐ Energy rating
  - ☐ Flexibility for different use
  - ☐ GHG emissions/management
  - ☐ Green building certification
  - ☐ Health, safety and well-being
  - ☐ Natural hazards
  - ☐ On-site renewable energy generation and consumption
  - ☐ Socio-economic
  - ☐ Regulatory
  - ☐ Transportation
  - ☐ Waste management
  - ☐ Water consumption/management
  - ☐ Other ______________________

  For a minimum of one and up to five selected risks, describe how the outcome of the review is integrated into loan underwriting or lending decision-making processes (maximum 250 words)

  ____

  UPLOAD supporting evidence

  Indicate where the relevant information can be found ______________________

  Document name AND Publication date ______________________

- ○ No

Q15 **As part of its standard due diligence, does the entity review a property's community engagement or other social impact programs?** 17

- Yes

  Describe how this information is incorporated into loan underwriting, origination and/or the lending decision, and if there are specific triggering circumstances for review (maximum 250 words)

  ____

- No

Borrower Assessment

Q16 **As part of its standard due diligence process, does the entity consider the sustainability performance of the borrower or sponsor?** 18

- Yes

  Select all applicable options (multiple answers possible)

  - Carbon Disclosure Project (CDP) score is referenced
  - GRESB Real Estate or GRESB Infrastructure score is referenced
  - Sustainability policy of the borrower or sponsor is referenced
  - Other ____________________

- No

Q17 **As part of its standard due diligence process, does the entity consider borrower or sponsor receipt of environmental fines or penalties?** 19

- Yes

  Select the most rigorous applicable option

  - As part of mandatory Know Your Customer (KYC) compliance
  - As part of voluntary Know Your Customer (KYC) compliance
  - As part of other on-boarding framework (describe)______________________________

  Describe how this information is incorporated into the loan underwriting, origination and/or the lending decision (maximum 250 words)

  ____

- No

Q18 **As part of its standard due diligence process, does the entity consider borrower or sponsor misconduct?** **20**

- ○ Yes

  Select all applicable options (multiple answers possible)

  - ☐ Ongoing investigations
  - ☐ Past investigations
  - ☐ Ongoing legal cases
  - ☐ Past legal cases

  Consideration is given to misconduct related to the following issues (multiple answers possible)

  - ☐ Environmental
  - ☐ Social
  - ☐ Governance
  - ☐ Other ____________________

- ○ No

Environmental Management System

Q19 **Does the organization have an Environmental Management System or comparable framework in place that is applicable to the entity level?** new

- ○ Yes

  Describe the EMS or comparable framework (maximum 250 words)

  Select all elements covered by the EMS or comparable framework (multiple answers possible)

  - ☐ Policies and plans
  - ☐ Implementation actions
  - ☐ Monitoring
  - ☐ Accountability and responsive actions

  UPLOAD supporting evidence — *Indicate where the relevant information can be found* ____________

- ○ No

Q20 **Is the Environmental Management System (EMS) in Q19 aligned with a standard and/or certified by an independent third party?** new

- ○ Yes

  - ☐ Alligned with
  - ☐ Externally certified by ____________ using ____________

  UPLOAD supporting evidence — *Indicate where the relevant information can be found* ____________

- ○ No
- ○ Not applicable

Q21 **Does the entity maintain a data management system to collect, organize, and manage environmental, social, or governance performance data related to properties and/or borrowers?** new

- ○ Yes

  Select all data points (multiple answers possible)

  - ☐ Borrower sustainability credentials
  - ☐ Energy consumption
  - ☐ Energy ratings
  - ☐ Flood risks
  - ☐ GHG emissions
  - ☐ Green building certifications
  - ☐ On-site renewable energy generation
  - ☐ Other ____________

  UPLOAD supporting evidence — *Indicate where the relevant information can be found* ____________

- ○ No

Portfolio Assessment

Q22 Does the entity monitor its loan portfolio for significant flood risk? 22

- Yes

  What percentage of the loan portfolio is monitored (based on UPB)?

  Percentage of portfolio covered ▼

  What percentage of the loan portfolio is identified as having significant flood risk (based on UPB)?

  ____%

- No

Select the interval of % portfolio covered by each measure from the list below:

- > 0%, < 25%
- ≥ 25%, < 50%
- ≥ 50%, < 75%
- ≥ 75%, ≤ 100%

Q23 Does the entity monitor ongoing energy ratings within the loan portfolio? 23

- Yes

  Report percentage of the portfolio which has received an energy rating:

  - EU EPC (Energy Performance Certificate): ____% of the portfolio based on UPB
    - What threshold is applied by the entity?________________________
    - What percentage of the portfolio falls below this threshold? _____%
  - NABERS Energy: ____% of the portfolio based on UPB
    - What threshold is applied by the entity?________________________
    - What percentage of the portfolio falls below this threshold? _____%
  - ENERGY STAR: ____% of the portfolio based on UPB
  - Government energy efficiency benchmarking: ____% of the portfolio based on UPB
  - Other. Please specify scheme ______________: ____% of the portfolio based on UPB

- No

Q24 Does the entity monitor its loan portfolio for green building certificates? 24

- Yes

  Specify the certification scheme(s) used and the percentage of the portfolio certified (multiple answers possible)

  - BREEAM: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.
  - CASBEE: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.
  - DGNB: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.
  - Green Star: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.
  - LEED: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.
  - Other. Please specify scheme ______________: ____% of the portfolio [based on UPB] receiving (re)certification within the last 5 years.

- No

Market Transformation

Q25 **Does the entity monitor its borrowers' adherence to the sustainability standards for property improvements outlined in the policy referred to in Q12.2?** 25

- Yes

  Select all applicable categories (multiple answers possible)

  - Capital expenditure
  - Fit out or tenant improvement
  - New construction
  - Rehabilitation
  - Retrofit/renovation
  - Other ____________________

  Select all applicable categories (multiple answers possible)

  - Documentation review
  - Property inspection
  - Other ____________________

  Describe how the entity ensures borrower adherence (maximum 250 words)

  ____

- No

Q26 **Does the entity engage with its borrowers to encourage use of sustainability-specific terms in underlying tenant leases?** 26

- Yes

Select all topics addressed as part of engagement (multiple answers possible)

- Tenant obligation to do nothing to adversely affect the environmental performance of the building
- Sharing of utility data
- Cost-recovery clause for energy-efficiency-related capital improvements
- Shared consumption targets/goals in place
- Energy efficiency and/or environmentally responsible specifications for tenant works
- Operational performance standards for the building
- Information sharing relevant to support green building certificates
- Ability for the landlord (borrower) to prioritize sustainability requirements over minimizing costs of improvement and adjustments
- Legal obligations regarding the correctness of landlord (borrower)/tenant information required for mandatory energy rating schemes

UPLOAD supporting evidence

Indicate where the relevant information can be found

Document name AND Publication date

- No

Q27 **Does the entity provide financing for property improvements resulting in lower environmental impacts** 27

- Yes

Describe relevant financing options available to borrowers and at least one example of funding positive environmental outcomes (maximum 250 words)

UPLOAD supporting evidence

Indicate where the relevant information can be found

Document name AND Publication date

- No