



The COP 21 climate agreement marked a watershed moment with the adoption of the first-ever legally binding global pact to reduce carbon emissions and avoid the worst impacts of climate change.

Notwithstanding recent political turmoil, climate policy in the UK remains among the most stringent in the world. Particularly relevant to the real estate sector, UK legislation includes the Minimum Energy Efficiency Standards, a first-of-its kind regulation putting an energy performance floor on energy performance. Along with other important provisions, these requirements represent a broad-based effort to transform the UK building stock and accelerate the transition to a clean, low-carbon economy. Institutional investors are increasingly recognizing that these considerations create both risks and opportunities for real estate companies and funds. Consequently, investors are increasingly requesting high quality information about environmental, social, and governance (ESG) performance.

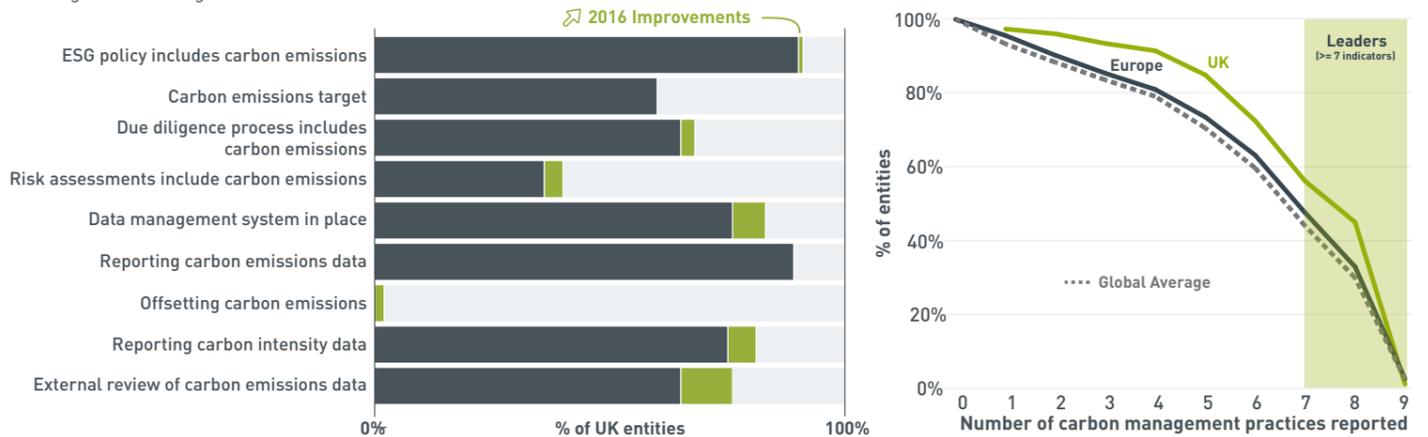
GRESB meets this need with systematic assessment, objective scoring, and peer benchmarking. With 152 property companies and funds participating in the 2016 GRESB Real Estate Assessment, the UK is the second largest

contributor of GRESB data. The new UK data showed a dynamic market and continued ESG leadership. UK companies registered one of the highest increases in scores – by 9%, from 58 in 2015 to 63 in 2016, and continue to outperform the European average score on environmental, social and governance (ESG) aspects. The UK's success can be attributed to the strict environmental regulation, demand for ESG disclosure, and long-term sustainability commitments from leading property companies and fund managers. The new data GRESB also show that overall ESG performance is supported by increasing engagement from senior leaders, more formal policy commitments, and increasingly sophisticated information systems. For example, this year's benchmark includes asset-level operational performance data for more than 20,000 individual buildings, often flowing directly to GRESB from third-party tools.

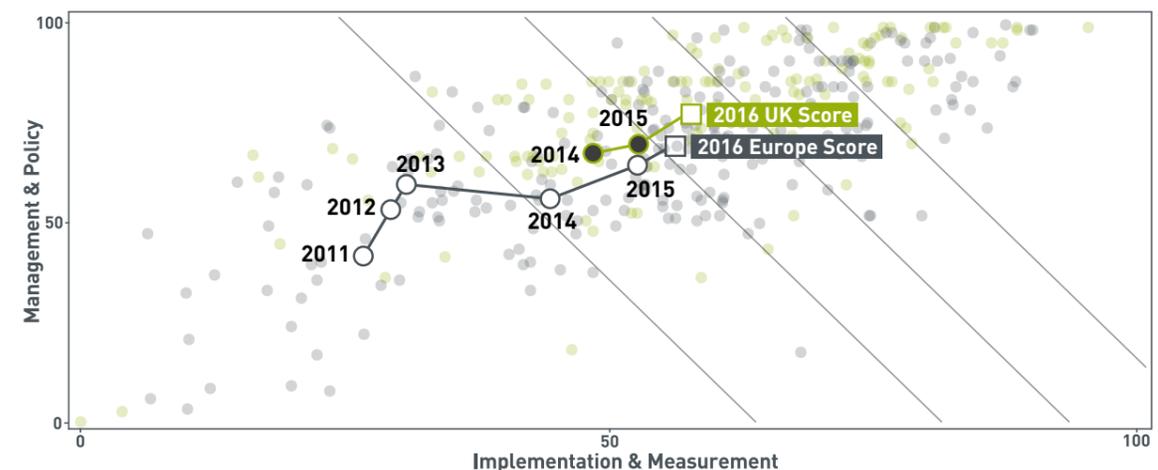
These trends show UK property companies and funds in a race to improve ESG performance – reducing greenhouse gas emissions, saving energy, conserving water, and providing healthier indoor environments. The leaders in this competition benefit from more efficient and more desirable properties. Their investors benefit from higher returns and lower risk.

Carbon Management

GRESB indicators can be examined individually or as functional groups to understand management and performance in key areas, such as carbon, water, waste, and health. The charts below illustrate average responses to individual carbon management indicators and the cumulative achievement of the set of carbon management strategies.



GRESB Model



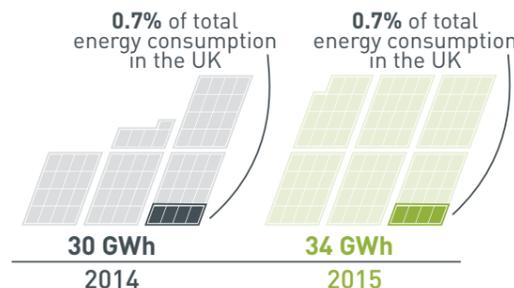
UK Score

The average GRESB Score of UK companies and funds improved from 58 in 2015 to 63 in 2016.

Companies and funds in the UK continue to outperform those in other European countries.

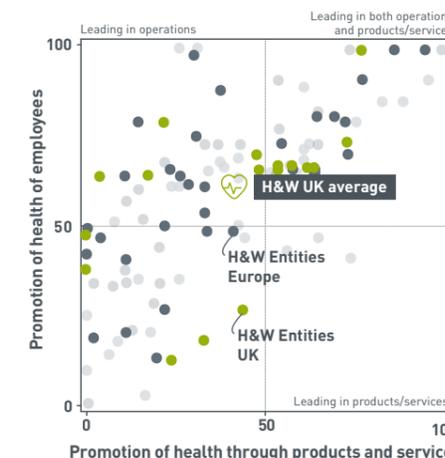
Renewable Energy (generated on-site)

The GRESB Assessment provides data on year-over-year growth in on-site renewable energy. The dark shading indicates renewable energy generated by companies and funds based in the United Kingdom. The light shading indicates renewable energy generated elsewhere in the world.



Health & Well-being

New data for European property companies and funds show significant variation in health and well-being practices. Many companies are working to promote the health of their employees. A smaller fraction of participants complement these internal efforts with strategies to actively promote the health of customers through their products and services.



GRESB Aspects

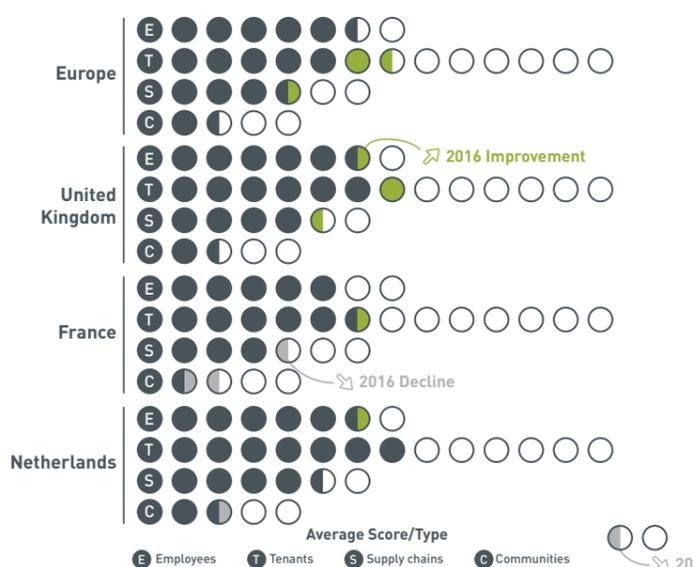


Response Rate Development



Stakeholder Engagement

GRESB includes 11 indicators addressing the engagement of property companies and funds with employees, tenants, supply chain, and community. Each circle represents a point available for these 11 indicators.



GRESB Industry Partners



"Against the backdrop of the Business Energy Tax Reform, the change of Government leadership and the prospects of Article 50 being launched sometime in late 2016 and early 2017, industry-led disclosure of environmental and social governance via GRESB is all the more important."
Melanie Leech, Chief executive, BPF



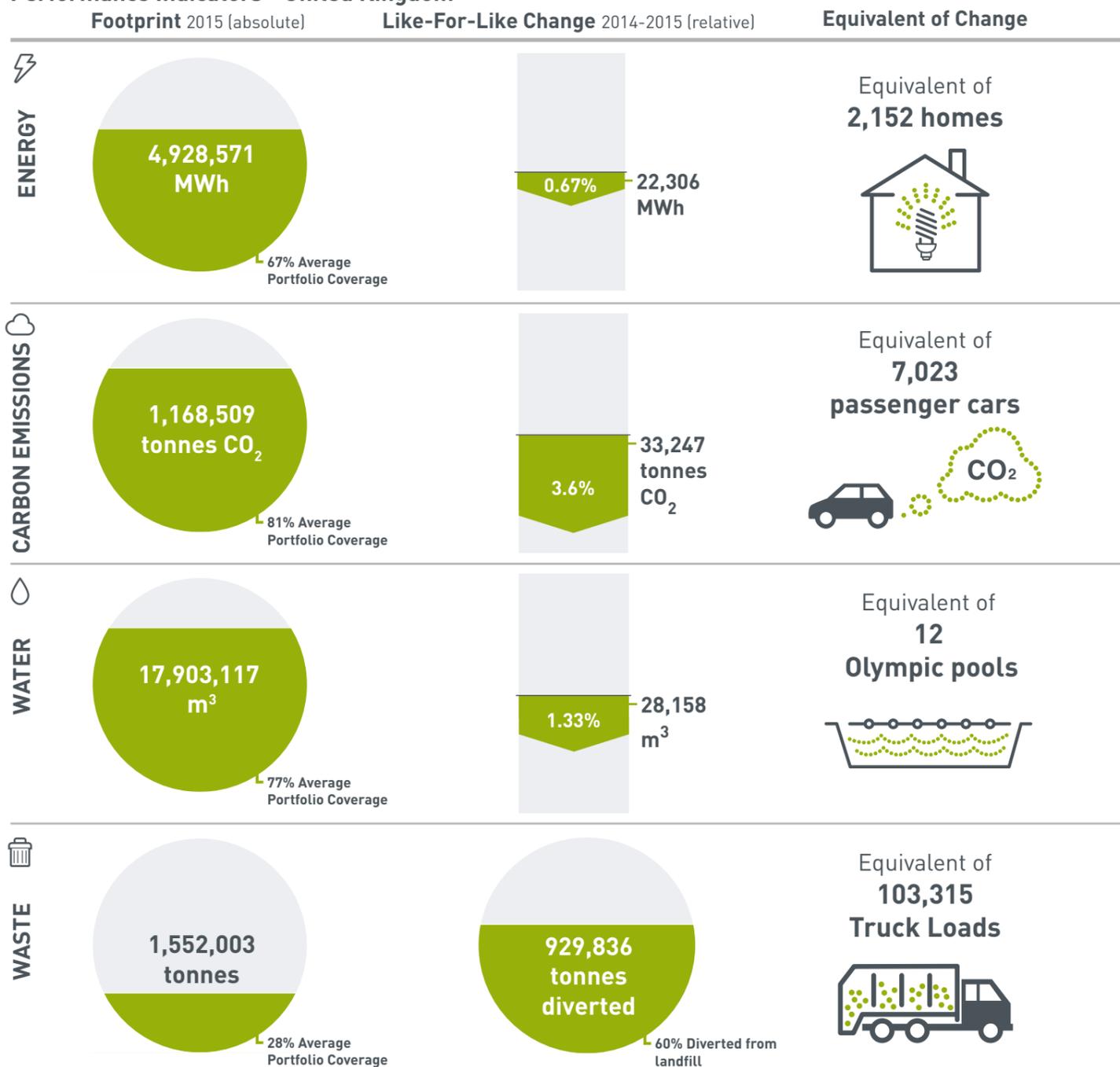
"The value of ESG data in the real estate decision-making is of ever increasing importance. GRESB provides a robust, yet simple and clear response on these issues, ensuring that the best decisions are made to the benefit of both the investment and our planet's natural resources. Using GRESB makes it all absolutely transparent, ensuring we all do the right thing."
Gavin Dunn, Head of Building Performance Group & Director of BREEAM, BRE

Sector Leaders - Europe

Property type	Entity name
Retail - Listed	Altea Cogedim
Retail - Private	Steen & Strom AS
Office - Listed	Cegereal
Office - Private	Central Saint Giles Limited Partnership - Legal and General Property
Industrial	Prologis European Properties Fund II - Prologis
Residential - Listed	UBS (CH) Property Fund Direct Residential
Residential - Private	CSA Real Estate Switzerland Residential - Credit Suisse
Healthcare	Achmea Dutch Health Care Property Fund - Syntrus Achmea Real Estate & Finance
Other	Leisure Fund Property Partnership - Legal and General Property
Diversified - Listed	Credit Suisse Real Estate Fund LivingPlus
Diversified - Private	Linked Life Fund - Legal and General Property
Diversified - Retail/Office (Listed)	British Land Company Plc
Diversified - Retail/Office (Private)	Managed Fund - Legal and General Property
Diversified - Industrial/Office	Castellum AB
Diversified - Residential/Office	Credit Suisse Real Estate Fund SIAT - Credit Suisse

Global Sector Leader UK participant

Performance Indicators - United Kingdom



GRESB defines "like-for-like" as the fraction of a portfolio continuously owned by an entity for at least 24 months. Like-for-like measurements represent a relatively stable sub-set of a portfolio, and they may better reflect management action to improve performance. GRESB like-for-like metrics do not directly account for variation in weather, occupancy, and other factors.

2016 GRESB Participants - United Kingdom

Listed

AEW UK REIT plc
Big Yellow Plc
British Land Company Plc
Capital & Counties Properties PLC
Derwent London Plc
F&C UK Property Fund ICVC
Grainger plc
Great Portland Estates plc
Henderson UK Property Open Ended Investment Company
Ignis UK Commercial Property Trust
Intu Properties plc
Land Securities Group PLC
LondonMetric Property Plc
LPT - Office
McKay Securities PLC
NEWRIVER REIT PLC
Redefine International P.L.C.
Schroder Real Estate Investment Trust Limited
SEGRO plc
Shaftesbury Plc
Standard Life Investments Property Income Trust
The UNITE Group Plc
UNITE Student Accommodation Fund (USAF)
Westfield Corporation
Workspace

Private

Ardstone Capital Ltd
British Land Company plc
Brockton Capital LLP
Canary Wharf Group plc
Capital and Regional
CBRE Global Investors
Commercial Estates group
Curlew Capital
Delancey
DTZ Investors Ltd
Fidelity International
FORE Partnership
Forum Partners
Grainger Asset Management Ltd
Kames Capital Plc
Legal and General Property
LGIM Real Assets
Lothbury Investment Management Limited
M&G Real Estate
Mayfair Capital Investment Management
MedicX
Moorfield Investment Management Limited
Royal London
Savills Investment Management
Schroder Real Estate Investment Management Limited
Standard Life Investments
The Crown Estate
Threadneedle Portfolio Services Limited
UBS Asset Management
Universities Superannuation Scheme

5-year participant Health & Well-being Module completed

GRESB Global Partners



Premier Partners - Europe



Partners - Europe



\$7.6 trillion

Institutional capital represented by GRESB's 58 Investor Members

About GRESB

GRESB is an industry-driven organization committed to assessing the environmental, social, and governance (ESG) performance of real assets globally, including real estate portfolios (public, private and direct), real estate debt portfolios, and infrastructure. More than 200 members, including 58 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.