

Global survey of real estate investors representing \$1 trillion+ of assets affirms the importance of ESG factors in investment decision-making

Toronto & San Francisco (March 29, 2019) – One of the largest ESG-focused surveys of global real estate investors ever conducted affirmed a near consensus view of the importance of weighing ESG criteria as a factor in real estate investment decision making. The survey, published today by Bentall Kennedy, Real Property Association of Canada (REALPAC) and the United Nations Environment Programme Finance Initiative (UNEP FI), included investment managers representing over \$1 trillion USD in assets under management from North America, Europe, and the Asia-Pacific region.

Key findings from the survey include:

- **93%** of investors, including fund and asset managers, include ESG criteria in real estate investment decisions, and **90%** plan to further analyze ESG criteria over the next 12 months;
- **85%** are highly or very highly motivated to use ESG criteria to lower risk; and
- **83%** have experienced an increase in investor demand for sustainability disclosure.

With approximately one-third of global greenhouse gas emissions attributed to the built environment, the survey was initiated under the auspices of the UNEP FI Property Working Group (PWG) to understand how ESG investment considerations can drive real estate industry action to combat climate change. Bentall Kennedy and REALPAC, in their capacity as PWG Co-Chair and Advisor, respectively, conducted the survey between September 2018 and February 2019.

“Through the efforts of the UNEP FI’s Property Working Group, this survey provides us with a unique perspective and evidence base of the progress being made and the even greater positive changes within the sector that are possible,” said Eric Usher, Head of UNEP FI. “There are strong signals in this survey that indicate that tenants and owners are demanding more from asset managers to address climate risk in the built environment.”

“The results from this survey reflect a rising global awareness of the financial merits of sustainable investing as a means of risk mitigation and long-term value creation,” said Anna Murray, Vice President, Sustainability & EHS, Bentall Kennedy. “With sustainability factors playing a key role in driving tenant demand and climate resilience, fiduciaries are weighing ESG factors as a critical element in their investment decision-making.”

“Real estate investors and fund asset managers have an incredible opportunity to move to the forefront of sustainable investing and management by reducing the industry’s overall footprint,” said Michael Brooks, CEO, REALPAC. “REALPAC believes that every long-term real estate owner should have an ESG strategy.”

[Download the Global ESG Real Estate Investment Survey report here.](#)

Bentall Kennedy

Bentall Kennedy, a Sun Life Investment Management company, is a leading global real estate investment advisor and one of North America's foremost providers of real estate services. Bentall Kennedy (which includes Bentall Kennedy (Canada) Limited Partnership, Bentall Kennedy (U.S.) Limited Partnership and the real estate and commercial mortgage investment groups of certain of their affiliates) serves the interests of more than 540 institutional clients with expertise in office, retail, industrial and multi-residential assets throughout Canada and the U.S. Bentall Kennedy's Investment Management group has approximately \$36 billion (USD) / \$49 billion (CAD) of assets under management (as of December 31, 2018). Bentall Kennedy is one of the largest Real Estate Services providers in Canada, managing more than 60 million square feet on behalf of third-party and investment management clients (as of December 31, 2018).

For more information, visit www.bentallkennedy.com.

REALPAC

Founded in 1970, REALPAC is a globally active Canadian not-for-profit association dedicated to advancing the long-term vitality of Canada's investment real property sector. The association advances global accounting, tax, market, sustainability, and governance best practices throughout the commercial real estate industry. Its membership includes large public and private companies, and Canadian pension funds, banks, life insurers, and fund managers; and is led by each company's Chief Executive or top real estate officer. REALPAC has become a leader in professionalizing investment real estate in Canada through: collaborations with global platforms such as UNEP FI PWG, GRESB, and MSCI; participation with groups such as the International Property Measurement Standards Coalition (IPMSC), the Royal Institution of Chartered Surveyors (RICS), the Urban Land Institute (ULI), and the Canada Green Building Council (CaGBC); and global partnerships with regional associations in the listed real estate securities space through the Real Estate Equity Securitization Alliance (REESA), and through a global partnership with regional associations in the non-listed real estate space through the Alliance of International Fund Associations (AIFA).

For more information, visit realpac.ca.

REALPAC's CEO is an Advisor to the UNEP FI PWG.

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