

# NEW REPORT HIGHLIGHTS GROWING IMPORTANCE OF ESG IN COMMERCIAL REAL ESTATE INVESTMENT DECISIONS

74% say Covid-19 pandemic has increased the focus on ESG in commercial real estate

#### London, 9th December 2021

The growing commitment to ESG in the UK commercial real estate sector is highlighted by a new report <u>"A sustainable future for commercial real estate"</u> launched today by Deepki, the leading European ESG data intelligence and consulting firm. It shows that one third of UK institutional commercial real estate investors and property professionals think that the ESG credentials of property assets are extremely important in the investment decision-making process, and a further 57% said they are quite important. Just 5% said they were neutral and 5% said they weren't important.

The study\* also revealed that 74% predict that the importance of ESG credentials to investors in UK commercial property will increase over the next 12 months. Furthermore, 81% said that it will become even more important in three years' time, underlining how critical the commitment to addressing climate change and taking demonstrable steps to achieve Net Zero has become.

#### Impact of the Covid-19 pandemic on ESG

Three quarters (74%) of investors and property professionals said that the Covid pandemic had increased the focus on ESG in commercial real estate. The research findings also highlighted the



key reasons for this heightened attention to ESG from investors, in relation to their real estate portfolios and investment strategies since the crisis. This includes 60% who said that it was easier to review the ESG performance of properties which were left empty during the pandemic, and 56% who cited a greater focus on ESG in general.



Reasons the Covid crisis has increased the focus on ESG when it comes to real estate portfolios and investment strategies	Percentage of institutional commercial real estate investors and property professionals which agree
There have been more commercial buildings that have been empty during the crisis, making it easier for owners/landlords to review the ESG credentials of their property	60%
There has been a greater focus on ESG in general, with all investments and asset classes	56%
There has been less activity in the commercial real estate sector e.g., in terms of marketing to tenants, and this has provided more time for owners to focus on the ESG credentials of their properties	43%
Tenants have started to demand better standards in this area	31%
We are increasingly having to provide more ESG data on our buildings when we are marketing them	9%

Deepki has recently launched in the UK and is the only company in the world offering a fully populated ESG data intelligence platform to help commercial real estate investors, owners and managers improve the ESG performance of their real estate assets, and in the process enhance their value.

Deepki's scalable SaaS platform enables clients to collect ESG data, get a comprehensive overview of their portfolio's ESG performance, establish pathways, assess their performance and report to key stakeholders, facilitating their transition to net zero. The platform is supported by carbon and ESG experts who partner with clients across data collection and analysis, through to ESG strategy definition and implementation.

Katie Whipp, Head of Deepki UK, said: "Commercial real estate investors need to future-proof their investments, and strong ESG indicators are a key part of this, representing a trend which is set to continue. The Covid pandemic has also changed the focus on ESG in the sector in different ways,



from owners having more time to review empty buildings, to a greater demand from tenants for higher standards."

For further information about Deepki's services, visit: www.deepki.com

## Notes to editors

Research conducted by Pureprofile with 100 institutional commercial real estate investors and commercial real estate professionals in October 2021

## About Deepki

Founded in 2014, Deepki has developed a SaaS solution that uses data intelligence to guide real estate players in their net-zero transition. The solution leverages customer data to improve assets' ESG (Environmental, Social and Governance) performance and maximize asset value. Deepki operates in 38 countries, with 150 team members across offices in Paris, London, Berlin, Milan and Madrid. The company serves clients including Generali Real Estate, Allianz Real Estate, Swiss Life Asset Managers and the French government, helping to make their real estate assets more sustainable at scale.

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