FUND MANAGERS AND OCCUPIERS ARE THE DRIVING FORCE WHEN IT COMES TO IMPROVING THE ESG CREDENTIALS OF UK COMMERCIAL REAL ESTATE

London, 14th February 2023 – New research with UK real estate management professionals conducted by Deepki, the ESG data intelligence firm, shows that almost half (44%) believe that fund managers have the greatest influence when it comes to improving the ESG credentials of commercial real estate, followed by those using the buildings, occupiers (42%), and their employees (36%).

Government and regulators were deemed less influential despite having publicly stated ambitious commitments to meeting net zero targets by 2030 and 2050.

Stakeholders with the greatest influence on ESG performance of commercial real estate	Percentage of UK real estate management professionals
Fund managers	44%
Occupiers	42%
Employees of occupiers	36%
Regulators	24%
Government	24%
Institutional Investors	20%
Retail investors	10%
Other	0%

The value of sustainable assets is reinforced by the research findings, with 90% of UK real estate professionals reporting that asset values have increased by 16%–25% as a result of green premia.

The impact of poor ESG performance is also marked with one third of respondents experiencing asset values which are 16%–20% lower in buildings with poor carbon footprints, and 25% seeing values which are 21–30% lower. Some 60% are experiencing rental yields which are 11–25% lower because of brown discounting, as occupiers increasingly favour greener buildings.

Commenting on the research findings, Katie Whipp, Head of UK, Deepki, said:
"Our research shows that fund managers are at the forefront of the drive to improve commercial real estate's ESG credentials. They have seen the capital and rental values of green assets increase by 16–25% because occupiers are prepared to pay a premium for buildings which are energy efficient and provide an environment which supports the health and well-being of employees.

We expect ESG regulation to tighten up in the UK during 2023 which will make greenwashing much harder and will support the drive for real change across the sector."

Deepki 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.

The SaaS platform enables clients to collect ESG data, get a comprehensive overview of their portfolio's ESG performance, establish investment plans to reach net zero, and assess results. It also allows users to report to key stakeholders. 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.

Now with over 350 employees, five offices across Europe, and operating in 52 countries, Deepki has become the global leader in ESG and data intelligence solutions for environmental transition in the commercial real estate sector, with more than 1.3 million assets under management in all asset classes (offices, logistics, healthcare, retail, multi-family, etc.).

For further information about Deepki's end-to-end ESG solutions, visit: www.deepki.com

Notes to editors
Research conducted by Pureprofile with 50 commercial real estate asset management professionals in the UK in October 2022.

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 maximise asset value. Deepki operates in 52 countries, with 350 team members across offices in Paris, London, Berlin, Milan, and Madrid. The company serves clients including Generali Real Estate, AEW, SwissLife Asset Managers and the French government, helping to make their real estate assets more sustainable at scale.

In March 2022 Deepki raised €150 million in a Series C round of funding which was jointly led by Highland Europe and One Peak Partners. Other investors include Bpifrance, through their Large Venture fund, and Revaia.

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