



NEW RESEARCH HIGHLIGHTS POSITIVE IMPACT ESG HAS ON COMMERCIAL REAL ESTATE VALUE

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UK institutional commercial real estate investors and property professionals are expecting to see significant increases in the value of their commercial real estate portfolios if ESG performance is improved. This is according to new research* conducted by Deepki, the real estate ESG data intelligence firm, which shows that 30% expect capital value and rental revenues to increase by 31-40% by improving ESG compliance. A further 19% predict an increase of 41-50% and 13% expect values to increase by 21-30%, highlighting the growing influence of ESG on the financial performance of UK commercial real estate assets.

Barriers to improving ESG

However, despite its importance, the research also reveals that there are still significant barriers to improving ESG performance of real estate in the UK:

- 79% of respondents cited the complexity and scale of policies required improve ESG compliance as the main barrier
- 58% said the lack of consistency of reporting across different real estate assets was also a problem
- 58% said that poor understanding of retrofitting older properties to improve ESG compliance remains an issue
- 55% said that lack of knowledge of real estate ESG in general is still a barrier

Areas where ESG progress remains slow

Respondents were also asked to identify the key areas of ESG performance where they feel they are making the least progress with their commercial real estate portfolios or assets:

Reducing water usage	57%
Health and safety	57%
Risk management	51%
Reducing energy consumption	44%
Corporate governance	40%
Reducing waste	38%
Stakeholder engagement	13%



Deepki has recently launched in the UK and is the only company in Europe 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 enhance their value. Its 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: "Our research clearly supports the measurable and significant impact ESG initiatives have on the commercial value of real estate assets. However, improving ESG performance has become an increasingly daunting space for investors and owners with regulation and reporting rapidly growing in both complexity and disclosure. With such demands comes a need for greater collaboration and partnering across the real estate community, but also with Government, if coherent ESG strategies are to be put in place and long term targets are to be met."

For further information about Deepki's end-to-end ESG solutions, 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, SwissLife Asset Managers and the French government, helping to make their real estate assets more sustainable at scale.

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