NEW RESEARCH HIGHLIGHTS THE STEPS EUROPEAN PENSION FUNDS ARE TAKING TO ENHANCE COMMERCIAL REAL ESTATE ESG PERFORMANCE

London, Thursday 21st July 2022 - New research by Deepki, the ESG data intelligence firm, which surveyed 250 European pension fund managers* in the UK, Germany, France, Spain and Italy with a combined AUM of €402 billion, highlights the growing focus on commercial real estate and the steps they are taking to improve ESG (Environmental, Social and Governance) standards of the asset class.

Just under half (46%) of the European pension funds responding to the survey have 21%-25% of their fund allocated to domestic commercial real estate. A further 24% have 16%-20% allocated to the asset class.

However, the research shows that the sector will need to enhance its responsible investment attributes if pension funds are to rely on the asset class as part of an ESG strategy. Just under a fifth (18%) of pension fund managers rated their domestic commercial real estate sector's ESG performance - an evaluation of a firm's collective conscientiousness for environmental, social and governance factors - as very good, and 57% as "quite good" over the past three years, leaving room for improvement.

The findings highlight the steps pension funds across Europe are taking to improve ESG performance. These include adjusting the investment strategy and bolstering internal and trustee ESG expertise. When it comes to commercial real estate assets specifically, funds are looking to refurbish, repurpose or sell property which does not meet ESG standards.

How pension fund managers are improving the ESG focus of the funds they manage	% of funds taking this step
Changing or adjusting investment strategy	52%
Hiring more ESG expertise	44%
Ensuring specific board level/trustee representation for ESG	41%
Refurbish property which does not meet ESG standards	37%
Repurpose property which does not meet ESG standards	36%
Sell property which does not meet ESG standards	33%
Lowering/more realistic return expectations to ensure more investment in ESG assets	28%
Divesting other assets which are not ESG compliant	16%
No measures being taken to improve the ESG focus of the fund	3%

Commenting on the research findings, Vincent Bryant, CEO and Co-founder of Deepki, said: "Pension funds are extremely influential when it comes to improving ESG performance of different assets. Our findings show that commercial real estate is no different and that they are proactively taking steps to improve compliance of their funds. Measuring performance and developing strategies to ensure they meet the 2050 net zero target has never been important for 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 150 employees, offices in five European capitals and operating in over 38 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 500 million m² - almost five times the area of Paris - under management. To date, Deepki has saved over 180,000 equivalent tonnes of CO_2 across its client base.

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

Notes to editors

Research conducted by Pureprofile with 250 pension fund managers in the UK, France, Germany, Spain and Italy (50 respondents per market) in February 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 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.

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 LLP. Other investors include Bpifrance, through their Large Venture fund and Revaia.

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