



Surging Ahead

EPRA Sustainability Awards 2016



Contents

Foreword.....	3
1 Scope of the Survey	4
2 Highlights	5
3 Award Winners.....	6
4 Spotlight on... ..	8
5 Doubling the Awards in 2017	10
6 Awards Methodology.....	11
7 Participant List.....	12

Foreword

Building on solid foundations

Sustainability performance reporting continues to be an area of increasing interest for investors in listed property companies. EPRA has been actively influencing this debate through a number of initiatives, notably the development of Sustainability Best Practice Recommendations (sBPR) and guidance for European listed property companies.

For five years now, we have been encouraging disclosure and transparency when it comes to the sector's environmental impacts and EPRA and its Sustainability Committee continue to help property companies produce best-in-class annual sustainability performance reports.

The number of Award winners has doubled since the first Survey in 2012, when only 18% of companies achieved an Award, to over one third in 2016. 60% of companies, representing 76% of the Index by market cap report at least one EPRA sustainability performance.

This year, we broadened the scope of our sBPR Awards to include EPRA European member property companies, which are not Index constituents. It is encouraging to see that several of these companies are already disclosing environmental performance data well and are achieving Award levels for their disclosure.

Having EPRA's sustainability team and the Sustainability Committee leading the effort, and JLL's valuable contribution which makes this review possible, I look forward to 2017 with confidence.



Philip Charls

CEO, EPRA

JLL is delighted to announce the winners of the 5th EPRA Sustainability Awards. The EPRA Sustainability Best Practices Recommendations (sBPR) are intended to raise the standards and consistency of sustainability reporting for listed real estate companies across Europe. The EPRA sBPR awards aim to recognise companies already doing this successfully, as well as to raise awareness of and encourage the uptake of the EPRA sBPR.

In 2016, we introduced an Award for the "Most Improved Reports". This Award acknowledges the effort made by those companies who have substantially improved their scores this year. We commend the 8 companies who won this Award, particularly Castellum, Inmocolonial and PSP Swiss Property Prime who went from no Award in 2015 straight to Gold, in 2016.

JLL supports companies aiming to improve their score in 2017. We offer all EPRA members the opportunity to discuss their results and can provide further recommendations on how to report in line with the sBPR guidelines. Please contact myself or Hassan Sabir, Director of Finance at EPRA, if you would like any further information.

Lastly, I would like to thank EPRA and its Sustainability Committee for making this initiative so successful.



Matthew Tippett

Director, Upstream Sustainability

1 Scope of the Survey

Companies reviewed

Annual reports for the year ending between 30 June 2015 and 31 March 2016 inclusive were reviewed for all members of the FTSE EPRA/NAREIT Developed Europe Index, comprising 98 listed real estate companies across Europe. Annual reports for the same period of 19 non-Index members have also been reviewed.

In order to offer a comparable basis with last year’s survey, commentaries on the 2016 results are focused on Index constituents only, with a special section discussing the highlights of non-Index members included separately.

The table on the right indicates the FTSE EPRA/NAREIT Europe Index members that have been added or removed from the survey compared to last year.

The geographical breakdown of FTSE EPRA/NAREIT Europe Index members included in the survey is shown below.



In
Kennedy Wilson Europe Real Estate Plc.
Target Healthcare REIT Ltd
Pandox AB
D. Carnegie & Co AB
Axiare Patrimonio SOCIMI, S.A.
Hispania Activos Inmobiliarios SOCIMI, S.A
Lar España Real Estate SOCIMI, S.A.
Irish Residential Properties REIT Plc
Hibernia REIT Plc
ADO Properties SA
Vonovia SE
Foncière de Paris
Empiric Student Property Plc
Out
Deutsche Annington Immobilien AG
Development Securities Plc
Prime Office AG
Grivalia Properties REIC
Quintain Estates and Development Plc
Standard Life Inv Prop Inc Trust

2 Highlights

3 companies went from no medal straight to gold

25 companies won gold



Up by 16% from 2015

4  companies won Gold for the 5th year running

76% of Index by market cap reported at least one EPRA sustainability performance measure



2016

Highlights

19 companies report on all EPRA sustainability performance measures



60% of companies report at least one EPRA sustainability performance measure



20 Non-index members were included in the Awards

36% of companies won an award



3 Award winners



GOLD

21 COMPANIES HAVE KEPT THEIR GOLD AWARD





GOLD

4 NEW COMPANIES WON A GOLD AWARD



MOST IMPROVED AWARD



GOLD



SILVER

- Castellum
- Colonial
- PSP Swiss Property
- Wereldhave

- ANF Immobilier SA



4 Spotlight on...

The Award Winners

The number of Award winners has doubled since the first Awards in 2012, when only 18% of companies achieved an Award, to 34% in 2016, with a 5% increase in the number of Award winners in the last year alone.

The number of Silver and Bronze Awards has remained stable since 2012 (between 4-8% each year), with the increase in Awards being almost entirely in the number of Gold Awards, from 8% in 2012 to 26% in 2016. This demonstrates that the main factor in achieving a Gold Award is simply disclosing all (or nearly all) Performance Measures and carefully applying the Overarching Recommendations.

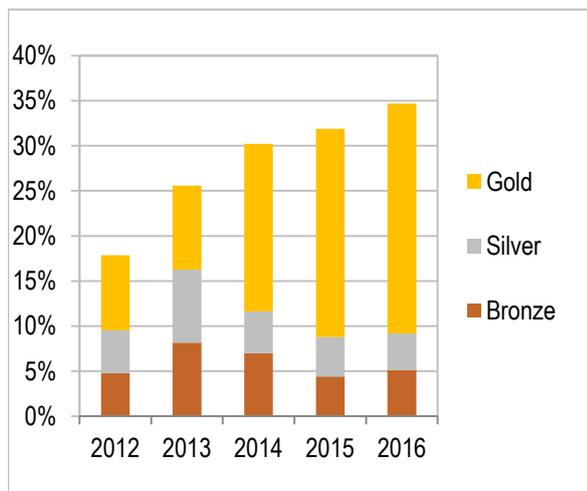


Figure 1. Percentage of Award Winners 2012-2016

The average score for Award winners has also continued to rise, as many companies have asked for and acted upon feedback provided by JLL to improve their reporting. In 2016, the average score for Award winners was 85%, compared to 82% in 2015.

Award winners' score highly for reporting on their performance measures. In 2016, 19 Award winners achieved 100% score for reporting performance measures in 2016, including a silver award winner, Picton Properties. A high score for performance measures is essential for achieving an Award, as they account for half of the total score in the Awards.

Reporting in line with the overarching recommendations is less consistent even amongst the Award winners, particularly with regards to:

- Estimation of landlord-obtained utility consumption
- Boundaries: Reporting landlord & tenant consumption
- Third Party Assurance

In the first year of the Awards, there was a clear relationship between portfolio size and the average scoring against the survey criteria. Five years on, these boundaries have vanished, as more and more companies have started applying the sBPR. In 2016, we can see that small and large companies do equally well in reporting against the guidelines, being equally likely to win an Award.

Likewise, although different EU countries have different legal obligations to disclose on environmental data, geographical location has no clear impact on the probability of winning an Award. However, of the five countries with over seven EPRA members, German companies still tend not to disclose their environmental data through their sustainability reports as much as their counterparts in other countries. Only 16% of German companies disclosed public data, compared to 43% in Belgium, 50% in Sweden, 71% in the UK and 88% in France.

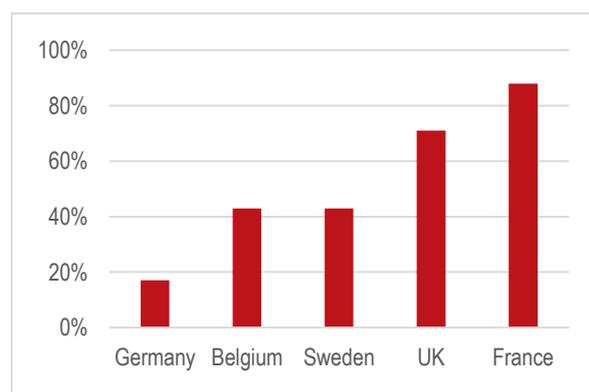


Figure 2. Percentage of companies disclosing public data by country (with > 7 members)

We also commend the Finnish companies for all three achieving an Award for the past three years, and the two Italian companies for both achieve a Gold Award consistently for the past two years.

Lastly, a special mention goes to four companies who have achieved a Gold Award for all five years of the EPRA sBPR Awards: These consistently outstanding performers are **British Land, Citycon, Klépierre and Unibail-Rodamco**.

The Non-Award Winners

This year 26 companies reported on at least one sustainability performance measure but did not achieve an Award.

For seven of these, who disclosed no public data last year, this result was a first step in the right direction. However, we encourage even more ambitious first steps be taken, considering each year several companies achieve a Gold Award, having not disclosed any public data the previous year.

15% of non-award winners reported over half the performance measures and on average, non-Award winners disclosed 5 performance measures (25%). To win an Award a minimum of 12 out of 18 Performance Measures have to be disclosed.

The Non-Reporters

Finally, we turn the spotlight on the companies that did not publicly disclose sustainability performance data in 2016.

The number of companies not reporting any sustainability data has dropped from 60% in 2012 to only 38% of companies. This does not mean these companies cannot be Gold winners in 2017!

As we have seen in previous years, companies can go 'from zero to hero' in a year. We hope this will inspire companies not disclosing any public data to begin doing so in 2017, to avoid being left behind.

Welcoming Non-Index members

This is the first year EPRA has decided to include the non-FTSE EPRA/NAREIT Europe Index members in the Awards. This is a welcome broadening of the awards and sends a strong signal to all members that sustainability disclosure is something that should by now be considered 'standard practice' in the real estate sector.

10 countries were represented with a total market capitalisation of EUR 1.3 billion. It was encouraging to see that some non-Index members are already reporting on their environmental performance, in line with parts of the EPRA sBPR guidelines. Indeed 30% of the 20 non-Index members included in the Awards reported on at least one performance measure in 2016.

In particular, we commend CeGeREAL for achieving a Bronze Award in the 2016 EPRA sBPR Awards.

JLL wishes to extend their support equally to non-Index members who wish to improve their sustainability disclosure in line with the EPRA sBPR guidelines, through feedback on their scoring.

5 Doubling the Awards in 2017

Easier said than done? No, actually.

JLL analysed where companies scored most poorly against the performance measures, and identified a distinct lack of reporting of like-for-like Performance Measures. For example, only 53% companies disclosed their like-for-like data for electricity (Elec-LFL) but 83% reported on the Absolute electricity consumption (Elec-Abs) (see table 1).

If all non-Award winners who reported on absolute performance measures reported their like-for-like Performance Measures, the number of Award winners would double in 2017. This is a simple calculation to do, once the absolute figures have been calculated for two consecutive years – simply exclude assets that have been bought, sold or under major refurbishment in the two year like-for-like period.

We hope companies aiming to improve their score next year are aware of this ‘quick win’!

Table 1. Companies reporting absolute vs. like-for-like figures

Performance Measure	Absolute or Like-for-like	Companies reporting
Electricity	Absolute	83%
	Like-for-like	53%
District Heating and Cooling	Absolute	56%
	Like-for-like	41%
Fuels	Absolute	66%
	Like-for-like	48%
Direct GHG emissions	Absolute	86%
	Like-for-like	50%
Indirect GHG emissions	Absolute	77%
	Like-for-like	53%
Water	Absolute	72%
	Like-for-like	49%
Waste (by weight)	Absolute	58%
	Like-for-like	41%
Waste (by proportion)	Absolute	48%
	Like-for-like	32%

“Whilst more companies reported using the sBPR for the first time, we would like to see a further ‘broadening’ of this group, so there are fewer non-disclosers in 2017. We also urge companies to report using the like-for-like Performance Measures, which will increase the consistency and comparability of the data for investors – the ultimate goal of the EPRA Sustainability Best Practice Recommendations.”

Olivier Elamine, Chair of EPRA Sustainability Committee and CEO of **alstria office REIT-AG**

6 Awards Methodology

Each year, a panel of JLL sustainability reporting experts scores each Index constituent's public disclosure against the following two areas of the EPRA sBPR guidance:

- **18 Performance Measures** related to energy, water, waste and building certification.
- **10 Overarching Recommendations**, consisting of ten principles which underpin good quality disclosure and should be applied when reporting EPRA's Sustainability Performance Measures.

Review Process

1. A detailed **primary review** of annual reports is performed by JLL's Upstream Sustainability Services team.
2. A **second review** by a different member of the team is carried out.
3. **Companies are ranked** according to their survey score.
4. Companies are identified for **Gold, Silver or Bronze Awards**.
5. The **most improved reports** were identified based on the largest increases in score in comparison to the previous year.
6. The results are shared with EPRA to determine **final allocation** of Awards.

Since some companies being assessed are clients, Upstream staff only assesses companies that they have not assisted, mirroring the process for the financial BPR Awards.

Individual Feedback on Awards and Results

Following the awards, JLL provides all assessed companies with the opportunity to discuss their results and can provide further recommendations on how to improve their results going forward.

The Awards



Exceptional adherence to sBPR. Scoring above 85%. At least 12 Performance Measures disclosed.



High adherence to sBPR. Score between 85% and 70%. At least 12 Performance Measures disclosed.



Reasonable adherence to sBPR. Scoring between 69% and 60%. At least 12 Performance Measures disclosed.



30 percentage points YoY increases in score in comparison to the previous year.

7 Participant List

- = not included in the survey that year
x = no public data available

Company Name	Country	In Index?	Mkt Cap (m EUR)	2012	2013	2014	2015	2016
Adler Real Estate	GER	Y	528	-	-	-	x	x
ADO Properties SA	GER	Y	1,055	-	-	-	-	x
Aedifica	BELG	Y	869	-	x	x	x	x
Affine	FRA	Y	173	x	x	x	x	x
Allreal HldN	SWIT	Y	2,033	x	No Award	No Award	No Award	No Award
alstria office	GER	Y	1,929	Bronze	Bronze	Bronze	Bronze	Bronze
ANF-Immobilier SA	FRA	Y	428	x	No Award	No Award	No Award	Silver
Assura	UK	Y	1,094	-	-	-	x	x
Atrium European Management	NETH	N	1,319	-	-	-	-	x
Atrium Ljunberg AB	SWED	N	2,029	-	-	-	-	No Award
Axiare Patrimonio SOCIMISA	SP	Y	942	-	-	-	-	x
Befimmo-Sicafi	BELG	Y	1,270	Silver	Silver	Bronze	Gold	Gold
Beni Stabili	ITA	Y	1,496	x	x	Gold	Gold	Gold
Big Yellow Group	UK	Y	1,528	No Award				
British Land	UK	Y	9,050	Gold	Gold	Gold	Gold	Gold
BUWOG-Bauen und Wohnen GmbH	OEST	Y	1,881	-	-	x	x	x
CalImmobilien	OEST	Y	1,678	x	No Award	No Award	No Award	No Award
Capital And Counties Properties	UK	Y	3,474	x	No Award	No Award	No Award	No Award
Castellum	SWED	Y	2,292	No Award	No Award	No Award	No Award	Gold
CeGeREAL	FRA	N	446	-	-	-	-	Bronze
Citycon	FIN	Y	1,974	Gold	Gold	Gold	Gold	Gold
Cofinimmo	BELG	Y	2,175	Gold	Silver	Gold	Gold	Gold
Conwert Immobilien Invest	OEST	Y	1,311	x	x	x	x	No Award
Daejan Hdg	UK	Y	1,188	x	x	x	x	x
D Carnegie And Co AB	SWED	Y	552	-	-	-	-	x
Demire Deutsche Mittelstand RE AG	GER	N	194	-	-	-	-	x
Derwent London	UK	Y	4,399	Silver	Gold	Gold	Gold	Gold
Deutsche EuroShop	GER	Y	2,227		x	x	x	x
Deutsche Wohnen AG	GER	Y	9,205		x	x	No Award	No Award
DIC Asset AG	GER	Y	563	No Award	Bronze	Bronze	Bronze	Bronze
Dios Fastigheter AB	SWED	Y	483	-	-	x	No Award	No Award

Company Name	Country	In Index?	Mkt Cap (m EUR)	2012	2013	2014	2015	2016
Ediston Property Investment Company plc	UK	N	169	-	-	-	-	No Award
Entra	NOR	Y	1,520	-	-	-	No Award	No Award
ESP Empiric Student Property	UK	Y	692	-	-	-	-	No Award
EuroCommercial Ppty	NETH	Y	1,973		Bronze	Gold	Gold	Gold
FABEGE	SWED	Y	2,455	No Award	No Award	No Award	x	No Award
F And C Commercial Property Trust	UK	Y	1,316		x	x	x	x
F And C UK Real Estate Investments	UK	Y	295	-	-	x	x	x
Fastighets AB Balder B	SWED	Y	3,594		x	x	x	x
Foncière de Paris	FRA	Y	1,464	-	-	-	-	x
Foncière des Régions	FRA	Y	5,503	Bronze	Silver	Gold	Gold	Gold
Frey	FRA	N	228	-	-	-	-	x
Gecina	FRA	Y	7,562	No Award	No Award	Gold	Gold	Gold
Grainger	UK	Y	1,184	No Award	No Award	Gold	Gold	Gold
Grand City Properties	GER	Y	3,107	-	-	-	x	x
Great Portland Estates	UK	Y	3,158	Silver	Silver	Gold	Gold	Gold
Green REIT	IRE	Y	941	-	-	-	x	x
Grivalia	GREE	N	746	-	-	-	-	x
Hamborner REIT AG	GER	Y	590		x	No Award	No Award	x
Hammerson	UK	Y	5,722	Gold	Gold	Silver	Gold	Gold
Hansteen Holdings	UK	Y	966		x	x	No Award	No Award
Helical Bar	UK	Y	558		No Award	No Award	x	No Award
Hemfosa Fastigheter AB	SWED	Y	1,270	-	-	x	x	x
HIAG Immobilien Holding AG	SWIT	N	696	-	-	-	-	x
Hibernia REIT plc	IRE	Y	887	-	-	-	-	Bronze
Hispania Activos Inmobiliarios S.A	SP	Y	1,032	-	-	-	-	x
Hufvudstaden	SWED	Y	2,758	No Award	No Award	No Award	No Award	x
Icade	FRA	Y	4,953		Gold	No Award	Gold	Gold
Igd	ITA	Y	650	No Award	No Award	No Award	Gold	Gold
Immofinanz AG	OEST	N	1,823	-	-	-	-	x
Inmobiliaria Colonial SA	SP	Y	2,059	-	-	x	No Award	Gold
Interinvest Offices And Warehouses	BELG	Y	405		x	x	No Award	x
Intu Properties	UK	Y	5,287	No Award	Silver	Gold	Gold	Gold
Irish Residential Properties REIT Plc	IRE	Y	461	-	-	-	-	x

Company Name	Country	In Index?	Mkt Cap (m EUR)	2012	2013	2014	2015	2016
Kennedy Wilson Europe Real Estate plc	UK	Y	1,998	-	-	-	-	Bronze
Klépierre	FRA	Y	13,093	Gold	Gold	Gold	Gold	Gold
Klovern AB	SWED	Y	828	No Award				
Kungsleden	SWED	Y	1,133	No Award	No Award	x	x	x
Land Securities Group	UK	Y	10,925	Silver	Silver	Gold	Gold	Gold
Lar España	SP	Y	500	-	-	-	-	No Award
Leasinvest-Sicafi	BELG	Y	491	-	x	x	x	x
LEG Immobilien AG	GER	Y	5,200	-	x	x	x	x
London Metric Property	UK	Y	1,256	-	x	x	Gold	Gold
Medicx Fund	UK	Y	411	-	x	x	x	x
Mercialys	FRA	Y	1,876	-	x	No Award	No Award	No Award
Merlin Properties Socimi	SP	Y	3,301	-	-	-	x	No Award
Mobimo	SWIT	Y	1,322	No Award				
New River Retail	UK	N	978	-	-	-	-	x
NieuweSteen Inv	NETH	Y	597	-	x	x	x	x
Norwegian Property ASA	NOR	Y	502	-	x	x	x	x
Pandox AB	SWED	Y	1,146	-	-	-	-	x
Picton Property Income	UK	Y	475	-	x	x	Silver	Silver
Primary Health Prop	UK	Y	625	x	x	x	x	x
PSP Swiss Property	SWIT	Y	3,922	No Award	No Award	No Award	No Award	Gold
Redefine International	UK	Y	1,050	-	-	x	Award	Award
Retail Estates	BELG	N	691	-	-	-	-	x
Safestore Holdings	UK	Y	876	x	x	No Award	No Award	No Award
Schroder Real Estate Investment Trust	UK	Y	397	x	x	x	x	No Award
SEGRO	UK	Y	3,838	Bronze	Gold	Gold	Gold	Gold
Shaftesbury	UK	Y	3,193	Gold	Bronze	Silver	Silver	Silver
Simmo AG	OEST	N	545	-	-	-	-	x
Sociétéde la Tour Eiffel	FRA	N	511	x	Bronze	Silver	-	No Award
Sponda Oyj	FIN	Y	1,047	No Award	No Award	Bronze	Bronze	Bronze
Standard Life Inv Prop IncTrust	UK	Y	414	x	x	x	x	x
St Modwen Properties plc	UK	N	849	x	x	No Award	No Award	No Award
Swiss Prime Site	SWIT	Y	5,412	x	x	x	x	No Award
TAG Immobilien AG	GER	Y	1,478	x	x	x	x	x
Target Healthcare REIT Limited	UK	Y	241	-	-	-	-	x
Technopolis	FIN	Y	396	No Award	Bronze	Bronze	Silver	Silver

Company Name	Country	In Index?	Mkt Cap (m EUR)	2012	2013	2014	2015	2016
TLG Immobilien	GER	Y	1,291	-	-	-	x	x
Tritax Big Box UK Commercial Property Trust	UK	Y	1,424	-	-	-	x	x
Unibail-Rodamco	NETH	Y	23,811	Gold	Gold	Gold	Gold	Gold
Unite Group	UK	Y	1,781	No Award				
Urban and Civic URO Property Holdings	UK	N	464	-	-	-	-	x
Socimisa	SP	N	218	-	-	-	-	x
Vastned Retail	NETH	Y	749	x	x	x	x	x
VIB Vermoegen AG	GER	N	455	-	-	-	-	x
Vonovia SE	GER	Y	14,737	-	-	x	x	x
Wallenstam AB	SWED	Y	2,276	No Award	x	x	x	No Award
Warehouses De Pauw	BELG	Y	1,546	x	No Award	No Award	No Award	No Award
WCM	GER	N	389	-	-	-	-	x
Wereldhave	NETH	Y	1,979		x	Silver	Silver	Gold
Wereldhave Belgium	BELG	Y	790	x	x	Bronze	Bronze	x
Westgrund AG	GER	N	301	-	-	-	-	x
Wihlborgs Fastigheter	SWED	Y	1,434	No Award				
Workspace Group	UK	Y	1,590	No Award	Bronze	Gold	Gold	Gold



JLL is a professional services and investment management firm specializing in real estate. We offer integrated services delivered by expert teams worldwide to clients seeking increased value by owning, occupying, developing or investing in real estate. With 2015 fee revenue of more than \$5.2 billion, our 60,000

colleagues serve clients in over 80 countries from more than 280 corporate offices. We are an industry leader in property and corporate facility management services, with a portfolio of 4.0 billion square feet worldwide. During 2015, we completed 35,500 transactions for landlord and tenant clients, representing 1.1 billion square feet of space. We provided capital markets services for \$138 billion of client transactions. LaSalle Investment Management, our investment management business, is one of the world's largest and most diverse in real estate with \$56.4 billion of assets under management.

The firm is an industry leader in Energy and Sustainability services, available in all key markets. We have over 1500 energy and sustainability accredited professionals within JLL globally (more than any other firm worldwide), and around 160 individuals dedicated solely to delivering sustainability advice to clients.

As market leaders in sustainability reporting, we are well positioned to help organisations understand and adopt EPRA's sBPR in their upcoming reporting cycle. For further information, please visit our website:

www.jll.co.uk/sustainability



EPRA, the European Public Real Estate Association, is the voice of the publicly traded European real estate sector. With more than 220 members, covering the whole spectrum of the listed real estate industry (companies, investors and their suppliers), EPRA represents listed real estate market capitalisation of over EUR 365 billion and 93% of the

market capitalisation of the FTSE EPRA/NAREIT Europe Index.

EPRA's mission is to promote, develop and represent the European public real estate sector. We achieve this through the provision of better information to investors and stakeholders, active involvement in the public and political debate, improvement of the general operating environment, promotion of best practices and the cohesion and strengthening of the industry.

Find out more about our activities on www.epra.com

JLL

London
30 Warwick Street
W1B 5NH

Matthew Tippet

Director, Upstream
Sustainability Services
T: +44 (0)207 399 5655
M: +44 (0)7800 916740

Matthew.Tippet@eu.jll.com

Denise Michela Sofia

Senior Consultant, Upstream
Sustainability Services
T: +44 (0)207 399 5176
M: +44 (0)7710 644579

Denisemichela.Sofia@eu.jll.com

EPRA

Brussels
Square de Meeûs 23
1000

Laurent Ternisien

Senior Advisor
T: +32 (0)2739 1025
M: +32 478 780 262
l.ternisien@epra.com

Hassan Sabir

Director of Finance
T: +32 (0)2739 1014
M: +32 474 700 164
h.sabir@epra.com

www.jll.co.uk/sustainability

COPYRIGHT © JONES LANG LASALLE IP, INC. 2016.

This publication is the sole property of Jones Lang LaSalle IP, Inc. and must not be copied, reproduced or transmitted in any form or by any means, either in whole or in part, without the prior written consent of Jones Lang LaSalle IP, Inc.

The information contained in this publication has been obtained from sources generally regarded to be reliable. However, no representation is made, or warranty given, in respect of the accuracy of this information. We would like to be informed of any inaccuracies so that we may correct them.

Jones Lang LaSalle does not accept any liability in negligence or otherwise for any loss or damage suffered by any party resulting from reliance on this publication.