

Accompanying note to the INREV ESG Standard Data Delivery

Sheet (ESG SDDS)

Following the publication of the INREV Sustainability guidelines, INREV is consulting on a new ESG reporting template that aims to help members report their ESG performance, standardise the way ESG KPIs are disclosed for real estate investment vehicles, and potentially facilitate automation of this information exchange.

The ESG SDDS was assembled with the support of a dedicated focus group of ESG experts from the industry. The template covers the required and recommended ESG KPIs of the INREV Guidelines, references some of the regulatory requirements, eg Sustainable Finance Disclosure Regulation (SFDR), and is mapped against the European ESG Template (EET) of the European financial industry.

The ESG SDDS contains vehicle and asset level ESG data points. Many of the asset data inputs can be linked by users directly from the Global Real Estate Sustainability Benchmark (GRESB) Asset Spreadsheet. The vehicle level KPIs can be calculated based on asset data fields. Equally, users can directly input asset level data or vehicle summary level data into the template to meet the requirements.

Timing of reporting

Collecting and consolidating ESG data related to the vehicle and its underlying assets, including tenant data is complex and will likely rely on multiple data sources and service providers.

In addition, seeking assurance on such data could mean that the release of ESG reports is not synchronised with the financial reporting cycle.

Depending on the timing and framework of vehicle reporting to investors, which are dictated by contractual, regulatory and other factors, the ESG SDDS may, for practical reasons, need to be released as part of a separate ESG reporting package at a later date to the annual financial report.

ESG data may also include estimated information, similar to financial information, in order to meet specific reporting requirements of investors. The nature and extent of this information should be appropriately explained by the investment manager and the estimate process be subject to back testing.

Structure and data sources

The worksheets of the ESG SDDS are as follows:

- I. ESG Environmental - Vehicle Data
- II. ESG Social - Vehicle Data
- III. ESG Environmental - Asset Data

The Asset Data worksheet is organised by data categories, similar to the GRESB Asset Spreadsheet. The asset level data can be directly linked to the data submitted to GRESB (a detailed ID reference is provided in the template), or from other data sources, as appropriate. Additional ESG data relevant to asset level analysis, eg CRREM, and certain estimates are also necessary to be input at this level (see illustration below).

Asset level data can be summed or otherwise manipulated by the template to calculate corresponding vehicle level ESG KPIs. Users can set up automatic calculations by using the formulas provided in the template. Certain relevant other vehicle level or organisational level data is also input at this level to complete for example the social aspects dataset.

Alternatively, vehicle level data can be directly input by the investment manager from other data sources, if appropriate.

Required and recommended ESG KPIs

The ESG SDDS includes 28 required ESG KPIs at the vehicle level summarised from the INREV Guidelines that cover energy, GHG, water, waste, building certifications and climate change aspects. The data points are organised into different subsets showing what is under the manager's and/or occupiers' operational control. Some of this information is further divided into actual and estimated data fields. A number of vehicle level KPIs require disclosures by property type.

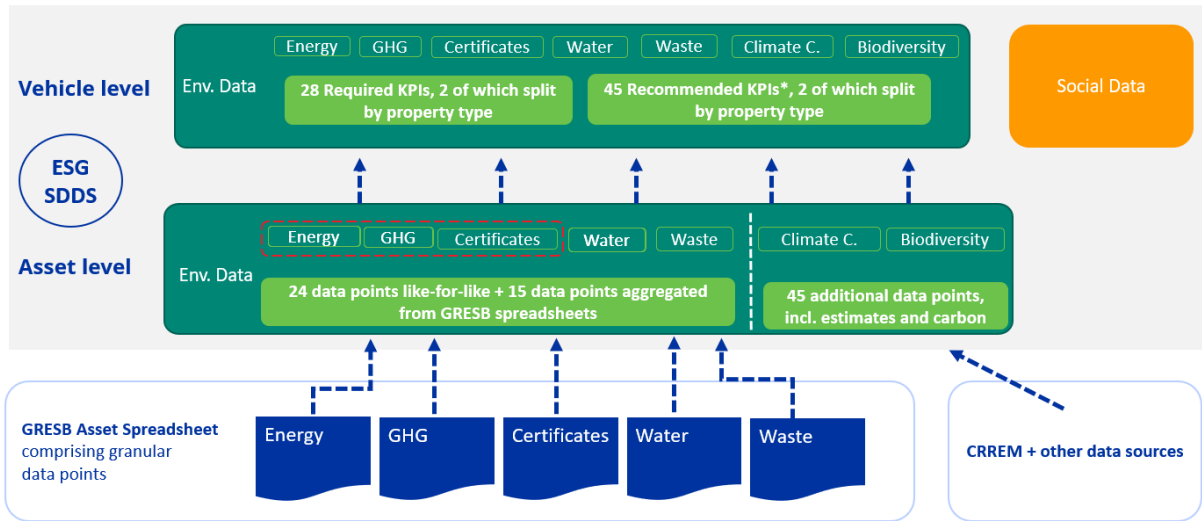
In addition, a set of 45 recommended ESG KPIs from the INREV Guidelines can be reported to investors by using the ESG SDDS. This facilitates further analysis of the aspects covered by the required dataset and includes new data fields related to biodiversity and social aspects.

If the data corresponding to any of the fields is not available or not applicable, the investment manager can explain this to investors in the comment box provided.

The ESG SDDS template has a similar format and style with the regular INREV SDDS.

Click [here](#) for more information and ways to provide feedback.

ESG SDDS – external data source illustration



*34 derived from Required KPIs and 11 new data points

INREV Asset level ESG data collection – 19 data points