FREE GUIDE



A GUIDE TO GRESB





GRESB

Welcome to the GRESB Guide

Welcome to our comprehensive guide on the Global Real Estate Sustainability Benchmark (GRESB). Whether you are a seasoned professional in the real estate sector or just beginning your journey into sustainable practices, this guide is designed to equip you with the knowledge and tools necessary to navigate the GRESB assessment process effectively.

In today's rapidly evolving landscape, understanding and implementing Environmental, Social, and Governance (ESG) principles is not just beneficial—it's essential. GRESB provides a robust framework for evaluating and improving sustainability performance, helping organizations demonstrate their commitment to responsible investment and operational excellence.

Throughout this guide, you will find detailed insights into the GRESB assessment process, key components of the evaluation, benefits of participation, and best practices for achieving success. Our goal is to empower you to leverage GRESB as a strategic tool for enhancing your ESG performance and gaining a competitive edge in the market.

Thank you for joining us on this journey toward sustainability. Together, we can create a more responsible and resilient future for our industry and the communities we serve.

Happy reading!





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EMPOWER YOUR BUSINESS FOR A SUSTAINABLE FUTURE



Introduction to GRESB

GRESB is the leading ESG benchmark for real estate and infrastructure investments worldwide. It provides a systematic process to measure, evaluate, and compare the ESG performance of real assets, offering data and analytical tools to benchmark investments against global industry standards.





OVERVIEW

THE GRESB REAL ESTATE ASSESSMENT

GRESB is the leading ESG benchmark for real estate and infrastructure investments worldwide. It provides a systematic process to measure, evaluate, and compare the ESG performance of real assets, offering data and analytical tools to benchmark investments against global industry standards.



Scope and Coverage

The Assessment provides a comprehensive evaluation of ESG performance across three key areas:

- 1. Management practices
- 2. Operational performance
- 3. Development activities

This holistic approach ensures that all aspects of a real estate entity's ESG efforts are captured and assessed

Global Consistency and Alignment

One of the Assessment's strengths lies in its consistent methodology, which allows for meaningful comparisons across:

- Different regions
- Various investment vehicles
- Multiple property types

This consistency is crucial for investors and participants who operate in diverse markets or have varied portfolios. Additionally, the Assessment aligns with international reporting frameworks such as TCFD, GRI, and PRI, ensuring that participants are in step with global sustainability standards.

Key Components

MANAGEMENT COMPONENT

This component evaluates the entity's overarching approach to ESG:

- ESG strategies: Assessing the depth and breadth of sustainability strategies.
- Leadership: Evaluating the commitment and involvement of top management in ESG initiatives.
- Policies: Reviewing the existence and comprehensiveness of ESG-related policies.
- Reporting practices: Examining the transparency and regularity of ESG disclosures.
- Stakeholder engagement: Assessing how the entity interacts with and addresses the concerns of various stakeholders.



PERFORMANCE COMPONENT

This component focuses on quantitative measures of ESG performance at the asset level:

- Energy consumption: Tracking total energy use and efforts to reduce consumption.
- GHG emissions: Measuring direct and indirect greenhouse gas emissions.
- Water use: Assessing water consumption and conservation efforts.
- Waste management: Evaluating waste generation, recycling rates, and reduction initiatives.



DEVELOPMENT COMPONENT

This component examines ESG considerations in new construction and major renovation projects:

- Site selection: Assessing the environmental and social impacts of site choices.
- Sustainable design: Evaluating the incorporation of green building principles.
- Materials selection: Examining the use of sustainable and low-impact materials.
- Community impact: Assessing the project's effect on local communities.

Benchmarks Generated

The GRESB Real Estate Assessment generates two distinct benchmarks:

GRESB REAL ESTATE BENCHMARK

This benchmark combines the Management and Performance Components, providing a comprehensive view of an entity's ESG performance in its standing investments. It allows for comparison across peers and helps identify areas for improvement in both strategic approach and operational execution.

GRESB DEVELOPMENT BENCHMARK

This benchmark combines the Management and Development Components, focusing on entities involved in new construction and major renovations. It provides insights into how well ESG considerations are integrated into development activities, from planning to completion.

These benchmarks provide participants with valuable insights into their ESG performance relative to their peers, identifying areas of strength and opportunities for improvement.



Assessment Process

April 1: Assessment portal opens, allowing entities to begin data input.

September 1-30: Review period where GRESB conducts data validation and quality checks.



October 1: Final results are released to participants and investors.



Scoring and Benchmarking

- Automated scoring system: Ensures consistency and objectivity in evaluating submissions.
- Peer group comparisons: Entities are compared based on property type, geography, and investment structure to provide meaningful benchmarks.

Participation Benefits

- 1- Standardized reporting framework: Provides a consistent method for measuring and reporting ESG performance.
- 2- Benchmarking against peers: Allows entities to understand their position relative to similar organizations.
- 3- Identification of areas for improvement: Highlights specific aspects where entities can enhance their ESG performance.
- 4- Increased transparency for investors: Provides clear, comparable ESG data for investment decision-making.
- 5- Alignment with international standards: Ensures compatibility with frameworks like TCFD, GRI, and PRI.

Special Features for Participants

GRACE PERIOD

- Available for first-time participants to encourage participation without immediate exposure.
- Allows submission without investor access to results for the first year.
- Helps entities familiarize themselves with the assessment process and prepare for full participation.

PRE-SUBMISSION CHECK

- Offers a high-level review of the submission before the final deadline.
- Conducted by a third-party validator to ensure impartiality.
- Includes a discussion call to address potential issues and improve submission quality.





OVERVIEW

THE GRESB INFRASTRUCTURE ASSESSMENT

The GRESB Infrastructure Assessment is a comprehensive ESG benchmarking and reporting framework specifically tailored for infrastructure assets and companies. It provides a systematic approach to measuring, evaluating, and comparing the ESG performance of infrastructure investments worldwide. This assessment is designed to meet the unique needs of the infrastructure sector, offering valuable insights for investors, fund managers, and infrastructure operators.



Key Components

MANAGEMENT COMPONENT

This component evaluates the organizational policies and strategies related to ESG:Leadership and ESG Strategies:

- Assessing the commitment of senior management to sustainability initiatives and how these strategies are integrated into overall business objectives.
- Policies and Processes: Reviewing existing policies that govern ESG practices, including health and safety, environmental management, and community engagement.
- Risk Management Frameworks: Evaluating how organizations identify, assess, and manage ESG-related risks.
- Stakeholder Engagement Practices: Analyzing how companies communicate with stakeholders, including employees, investors, and local communities regarding their ESG efforts.
- Reporting and Disclosure Methods: Examining the transparency and regularity of ESG reporting practices.

PERFORMANCE COMPONENT

This component focuses on the actual asset-level ESG performance:

- Environmental Metrics: Measuring key indicators such as energy consumption, greenhouse gas (GHG) emissions, water usage, and waste management practices.
- Social Indicators: Evaluating aspects like employee health and safety records, community impact assessments, and social responsibility initiatives.
- Governance Aspects: Reviewing governance structures including board diversity, ethical conduct policies, and anti-corruption measures.
- Sector-Specific ESG Considerations: Tailoring performance metrics to reflect the specific impacts relevant to various infrastructure sectors.

Sector Coverage



The GRESB Infrastructure Assessment encompasses a wide array of sectors within the infrastructure landscape:

- Data Infrastructure: Evaluating data centers and fiber networks for energy efficiency and resource management.
- Energy & Water Resources: Assessing facilities involved in water treatment and power distribution for sustainability practices.
- Environmental Services: Focusing on waste management operations and recycling facilities' environmental impact.
- Network Utilities: Evaluating electricity grids and gas networks for operational efficiency and sustainability measures.
- Power Generation: Analyzing thermal power plants for emissions control and resource usage.
- Renewable Power: Assessing wind farms, solar installations, and other renewable energy sources for their contribution to sustainable energy goals.
- Social Infrastructure: Evaluating community facilities such as hospitals and schools for social impact and governance practices.
- Transport: Assessing airports, toll roads, ports, and other transport infrastructures for their environmental footprint.

Assessment Results and Reporting

OUTPUTS

1- GRESB Score and Rating: Participants receive a score based on their performance across both components along with a star rating that allows for easy comparison with peers.

2- Benchmark Report: A detailed report that provides insights into how an entity's performance stacks up against industry standards and peers, highlighting strengths as well as areas needing improvement.

3- Portfolio Analysis Tool: An interactive tool that a lov investors to analyze ESG performance across their infrastructure investments easily.

DATA ACCESSIBILITY

- Results are confidential to participating entities;
 only they have access to their scores and reports.
- Investors can request access to results related to their investments but not during the Grace Period for first-time participants.

Best Practices for Participants

- 1- Start Data Collection Early: Begin gathering relevant data well in advance of the submission deadline to ensure accuracy.
- 2- Engage Internal Stakeholders Across Departments: Collaborate with various departments (e.g., operations, finance) to ensure comprehensive data collection.
- 3- Review Previous Year's Feedback: For returning participants, carefully consider any feedback received from prior assessments to enhance future submissions.
- 4- Utilize GRESB Resources and Guidance: Make use of available resources such as webinars, guidance documents, and FAQs provided by GRESB.
- 5- Consider Using the Pre-submission Check Service: This optional service offers a preliminary review of your submission to identify potential issues before final submission.
- 6- Prepare Clear and Concise Supporting Evidence: Ensure that all claims made in your submission are backed by relevant documentation or data.
- 7- Implement Year-Round ESG Monitoring: Establish systems for continuous tracking of ESG performance rather than just during the assessment period.
- 8- Stay Informed About Sector Trends: Keep up with emerging issues in the infrastructure sector related to ESG considerations.
- 9- Align with Other Reporting Frameworks: Where feasible, harmonize GRESB reporting with other frameworks (e.g., TCFD) to streamline processes.
- 10- Engage with Investors Using Results: Use assessment results as a basis for discussions with investors about your organization's ESG strategies.



CONCLUSION

As we conclude this guide on the GRESB Infrastructure Assessment, it's clear that understanding and implementing effective ESG practices is not just a regulatory requirement but a strategic advantage in today's business landscape. By participating in the GRESB assessment, organizations can benchmark their performance, identify areas for improvement, and enhance their appeal to investors who prioritize sustainability.

We encourage you to take the next step in your ESG journey. Visit our website for a wealth of resources dedicated to helping businesses integrate ESG principles effectively. Whether you're looking for detailed guides, case studies, or the latest insights on sustainability trends, we have the information you need to make informed decisions.

Additionally, if you're ready to elevate your ESG strategy further, consider booking a consultation with our expert team. We are here to provide tailored support that meets your unique needs and helps you navigate the complexities of ESG implementation. Together, we can create a more sustainable future for your organization and the communities you serve.





Empower Your Business for a Sustainable Future

We invite you to take the next step toward a more sustainable future for your business. By contacting us, you can access expert guidance tailored to your unique needs, helping you effectively integrate ESG principles into your operations. Together, we can navigate the complexities of sustainability and unlock new opportunities for growth and success. Don't wait—reach out today and let's build a better future for your organization and the communities you serve!

CONTACT US TODAY!

