

Financial Services Real Estate

Sector Report 2019 - Key Findings



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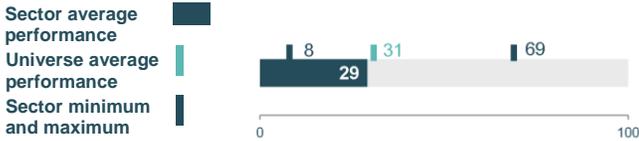
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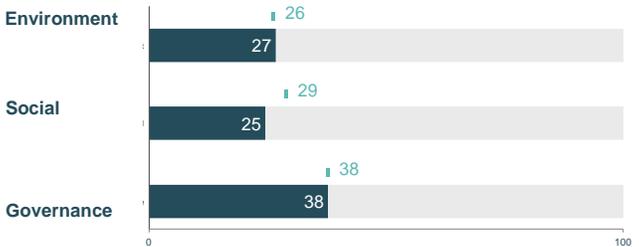
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290 companies in the sector

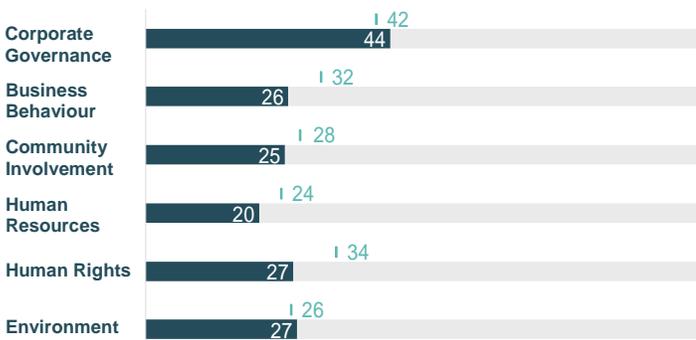
Key Findings 2019 – Real Estate sector



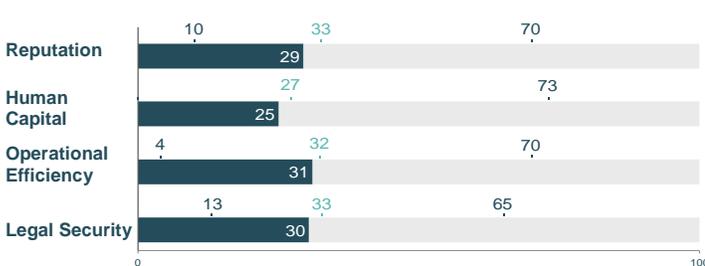
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION – Sector & Universe



TAKEAWAYS

- Physical and transitional risks associated with climate change present a complex challenge to real estate for which the industry does not yet have a clear strategy
- Limited capacity to mitigate the emerging risk of corruption and money laundering may have important socio-economic consequences on the economy and populations.
- Smart cities: an opportunity for transformation that only a minority of real estate companies seem ready to tackle
- The rapid growth of urbanisation represents risks for the real estate sector, however a majority of companies fail to address this challenge
- The environmental agenda in the real estate sector: a large "sustainability gap" between leaders and followers
- Investor appetite for Green Bonds is growing, but most real estate companies seem unable to catch this opportunity

TOP PERFORMERS

Europe: Covivio; Unibail-Rodamco-Westfield (69/100)
 North America: Prologis (49/100)
 Asia Pacific: Unibail-Rodamco-Westfield (Australia) (69/100)
 Emerging Markets: Central Pattana Public Company (41/100)

MOST IMPROVED since 2018

Europe: Carmila France SAS (+33)
 North America: Alexandria Real Estate (+12)
 Asia Pacific: New World Development (+17)
 Emerging Markets: Fibra Uno Administracion (+21)

MOST MATERIAL DRIVERS

ADVANCED (60-100)	
ROBUST (50-59)	
LIMITED (30-49)	<ul style="list-style-type: none"> Board of Directors Corruption and money laundering Environmental strategy
WEAK (0-29)	<ul style="list-style-type: none"> Social and economic development Social standards in the supply chain Cooperation with tenants

CARBON FOOTPRINT

Share of companies in each level of carbon footprint



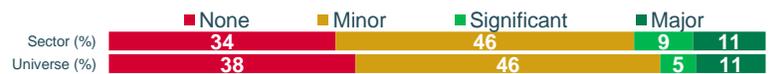
ENERGY TRANSITION

Share of companies in each level of energy transition performance



SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



About this document

This document is an extract of the Vigeo Eiris 2019 Report on the Forest Product & Paper sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: investorcustomer.service@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris obtained ISO 9001: 2015 certification for its processes relating to methodology, rating, sale and delivery of its data to all types of investors.

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Brussels, Casablanca, Hong Kong, Milan, Montreal, New York, Rabat and Santiago. The Vigeo Eiris Global Network, comprising 4 exclusive research partners, is present in Brazil, Germany, Israel and Japan. For more information: www.vigeo-eiris.com

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