

GRESB

Global Track Record

Global Real Estate Sustainability initiatives

Real Estate & Private Market sustains market leading position for global real asset funds in 2017 GRESB assessments



A record 22 of REPM's real estate equity, real estate debt and infrastructure funds from across the globe – including all of our flagship products – participated in the 2017 GRESB assessments, with seven funds ranking first in their respective peer groups across a range of real asset strategies. This continues our consistently strong and improving results over the past seven years.

The funds submitted this year accounted for 88% of REPM's total assets under management¹, with all but one fund being awarded a Green Star.



Real Estate assessment

In the 2017 GRESB Real Estate Assessment, eight of our real estate equity funds, spanning every region we operate in, were awarded 5-star ratings, reflecting upper quintile performance compared with the entire universe of participants.

Four of our non-listed real estate equity funds came top of their respective peer groups. Most notably, our German logistics fund ranked first out of all industrial funds globally.

Real Estate Debt assessment

UBS-AM's two real estate debt funds in the UK and US continued to produce excellent results, with both achieving a GRESB rating of 5-stars and ranking first in their respective peer groups.

Infrastructure assessment

In the GRESB Infrastructure Assessment, REPM's two global infrastructure funds achieved strong results, taking the top two spots in their peer group of globally diversified non-listed infrastructure funds.

Two of our underlying infrastructure assets ranked first and third out of 160 assets globally.



¹ Of assets under management for all funds eligible to participate in the GRESB Assessments

GRESB assessment

GRESB is an investor-driven organization that has transformed the way environmental, social and governance performance of real estate, debt and infrastructure funds are assessed globally.

GRESB assesses the sustainability performance of real asset sector portfolios and assets in public, private and direct sectors worldwide. It offers ESG data, Scorecards, Benchmark Reports and portfolio analysis tools.

850 property companies and funds, jointly representing more than USD 3.7 trillion in assets under management, participate in the GRESB Real Estate Assessment.

The Infrastructure Assessment covers 64 funds and 160 assets, and 25 portfolios complete the Debt Assessment. GRESB is an independent organization not connected to UBS.

GRESB Real Estate collects information regarding the sustainability performance of property companies and funds, including information on performance data, such as energy, GHG emissions, water and waste.

The assessment also covers broader sustainability issues, such as resilience, climate change, sustainability risk assessments, performance improvement programs and engagement with employees, tenants, suppliers and the community. GRESB's global benchmark uses a consistent methodology across different global regions, investment vehicles and property types.

Participants' scores are based on seven detailed aspects – Management, Policy & Disclosure, Risks & Opportunities, Monitoring & EMS, Performance Indicators, Building Certifications & Energy Ratings, and Stakeholder Engagement.

Starting in 2015, GRESB began gathering information regarding the sustainability performance of companies and funds specializing in real estate debt. The *GRESB Real Estate Debt* assessment is specifically tailored to the functions and processes of real estate lenders and debt portfolio owners, and is designed to capture sustainability engagement and performance metrics on a worldwide basis. The scores are based on five key sustainability factors: Management, Policy & Disclosure, Due Diligence, Monitoring and Opportunities.

The GRESB Infrastructure Assessment provides systematic assessment, objective scoring and peer benchmarking of the ESG performance of infrastructure companies, operators and funds. It provides two levels of assessment. The Fund Assessment contains ten indicators focused on management and investment processes. These indicators address foundational ESG plans and policies, leadership and accountability, engagement strategies, communications processes and other factors. The Assessment is organized around eight core aspects, addressing asset-level plans and policies, on-the-ground actions and operational performance.

"We recognize our responsibility to reduce environmental impacts, improve tenant wellbeing and set high standards for corporate governance. This contributes to a better environment and creates long-term value for clients.

Our continued success in the GRESB assessments is testament to our long-standing efforts in this regard and, crucially, to the efforts of our teams on the ground globally that oversee the consistent implementation of our responsible investing policies. "

Thomas Wels, Head of Real Estate & Private Markets

UBS-AM 2017 GRESB assessment results²

Fund description	Award	GRESB Rating (1-star = Lower quintile; 5-stars = Upper quintile)	Peer group leader (Ranked 1 st in its peer group)
<i>Real estate equity funds</i>			
US			
Core US commercial property	Green Star	5-stars	
Value add US diversified	Green Star	5-stars	
UK			
Core UK commercial property	Green Star	5-stars	✓
Value added UK office	Green Star	5-stars	✓
Switzerland			
Core Swiss diversified I	Green Star	3-stars	
Core Swiss diversified II		2-stars	
Core Swiss diversified III	Green Star	3-stars	
Core Swiss residential I	Green Star	3-stars	
Core Swiss residential II	Green Star	4-stars	
Core Swiss residential III	Green Star	3-stars	
Core Swiss retail I	Green Star	3-stars	
Core Swiss retail II	Green Star	3-stars	
Germany			
Core European office and retail	Green Star	5-stars	✓
Core European office	Green Star	5-stars	
Core German logistics	Green Star	5-stars	✓
Japan			
Core Japanese industrial and infrastructure	Green Star	5-stars	
Core Japanese retail	Green Star	4-stars	
Core Japanese office	Green Star	4-stars	
<i>Real estate debt funds</i>			
UK debt fund	Green Star	5-stars	✓
US debt fund	Green Star	5-stars	✓
<i>Infrastructure equity funds</i>			
Global infrastructure fund I	n/a	Upper quintile	
Global infrastructure fund II	n/a	Upper quintile	✓

Source: GRESB Real Estate, Real Estate Debt and Infrastructure benchmark reports 2017

² Data as of September 2017

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