2018
Debt
Reference Guide
## Contents

About GRESB ................................................................. 3
Introduction ................................................................. 6
Debt Assessment and Reference Guide Structure .............................. 9
Scoring Methodology ..................................................... 13
Data Validation Process .................................................. 15
2018 Debt Assessment changes ............................................ 17
Entity & Reporting Characteristics ....................................... 22
Management ................................................................. 29
Policy & Disclosure ......................................................... 40
Due Diligence ............................................................... 53
Monitoring ................................................................. 61
Risks & Opportunities .................................................... 71
Fund Indicators ............................................................. 80
Bank Indicators ............................................................. 87
Appendix 1a - Building Certification Schemes ............................ 95
Appendix 1b - Green Building Certification Validation Questions ................. 96
Appendix 2 - Assurance and verification schemes ........................ 99
Appendix 3 - Name of Organization Validation Questions ..................... 100
Appendix 4 - Document upload cover page ............................. 101

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**Disclaimer: 2018 GRESB Debt Assessment Reference Guide**

The 2018 GRESB Debt Reference Guide ("Reference Guide") accompanies the 2018 GRESB Debt Assessment ("Assessment") and is published both as a standalone document and in the GRESB Portal alongside each Assessment indicator. The Reference Guide reflects the opinions of GRESB and not of our members. The information in the Reference Guide has been provided in good faith and is provided on an “as is” basis. We take reasonable care to check the accuracy and completeness of the Reference Guide prior to its publication. While we do not anticipate major changes, we reserve the right to make modifications to the Reference Guide. We will publicly announce any such modifications.

The Reference Guide is not provided as the basis for any professional advice or for transactional use. GRESB and its advisors, consultants and sub-contractors shall not be responsible or liable for any advice given to third parties, any investment decisions or trading or any other actions taken by you or by third parties based on information contained in the Reference Guide.

Except where stated otherwise, GRESB is the exclusive owner of all intellectual property rights in all the information contained in the Reference Guide.
About GRESB

GRESB is an industry-driven organization transforming the way capital markets assess the environmental, social and governance (ESG) performance of real asset investments.

GRESB data and analytical tools are used by over 70 institutional and retail investors, including pension funds and insurance companies, collectively representing over USD 17 trillion in institutional capital, to engage with investment managers to enhance and protect shareholder value.

For more information, visit gresb.com. Follow @GRESB on Twitter.

Overview of GRESB Assessments

GRESB Real Estate Assessment

The GRESB Real Estate Assessment is the global standard for ESG benchmarking and reporting for listed property companies, private property funds, developers and investors that invest directly in real estate. The Assessment evaluates performance against seven sustainability aspects, including information on performance indicators, such as energy, GHG emissions, water and waste. The methodology is consistent across different regions, investment vehicles and property types and aligns with international reporting frameworks, such as GRI and PRI.

The GRESB Real Estate Assessment provides investors with actionable information and tools to monitor and manage the ESG risks and opportunities of their investments, and to prepare for increasingly rigorous ESG obligations. Assessment participants receive comparative business intelligence on where they stand against their peers, a roadmap with the actions they can take to improve their ESG performance and a communication platform to engage with investors.

GRESB Developer Assessment

Besides the GRESB Real Estate Assessment for property companies and fund managers that focus on the management of standing investments, GRESB provides a stand-alone GRESB Developer Assessment for organizations that focus on real estate development activities. The Developer Assessment evaluates the ESG performance of these organizations, focusing on policies, strategies, and measurable actions related to new construction and major renovation projects.

The following organizations should fill out the GRESB Developer Assessment:

- Organizations that develop projects, or acquire development projects, with the aim to sell the projects at completion. Projects can be developed to a tenant’s specification (build to suit), commissioned by an investment manager, or can be developed at risk;
- Organizations that acquire properties exclusively for redevelopment and resale;
- Organizations that manage standing investments as a by-product of their development activities, and for whom the development activities are considered to be the core business.

The GRESB Developer Assessment contains a subset of indicators from the GRESB Real Estate Assessment, plus the 14 indicators in the New Construction & Major Renovations (NC&MR) Aspect.
GRESB Public Disclosure

GRESB Public Disclosure evaluates the level of ESG disclosure by listed property companies and REITs. The evaluation is based on a set of indicators aligned with the GRESB Real Estate Assessment, allowing for a comparison of ESG disclosure performance between GRESB participants and non-participants. It also provides investors with a resource hub to access ESG disclosure documents across their full investment portfolio.

GRESB Public Disclosure data is initially collected by the GRESB team for selected companies, including both 2017 GRESB Real Estate Assessment participants and non-participants. All constituents have the opportunity to review and update this data before it becomes accessible to GRESB Investor Members. GRESB Public Disclosure consists of four Aspects: Governance of Sustainability, Implementation, Operational Performance and Stakeholder Engagement. Together, these Aspects contribute towards a Public Disclosure Level, expressed through an A to E sliding scale.

(Real Estate and Infrastructure) Supplement: Resilience

The GRESB Resilience Module is an optional supplement to the GRESB Real Estate and Infrastructure Assessments. It has been developed in response to organizations that are developing a capacity to assess, manage and adapt in the face of social and environmental shocks and stressors. The Module is motivated by two key factors:

- To meet investor demand for information about the resilience of property and infrastructure companies and funds; and
- To increase access to information about resilience-promoting actions among companies and funds.

(Real Estate) Supplement: Health & Well-being

The GRESB Health & Well-being Module is an optional supplement to the GRESB Real Estate Assessments. The Module provides participating companies and funds with practical tools for assessing and benchmarking the actions they are taking to promote health and well-being.

The purpose of the Module is to understand how the entity is promoting the health & well-being among its stakeholders, such as employees, tenants and community members. Indicators in the Module are not intended to address individuals, and information identifying individuals is not requested for any Health & Well-being Module indicator.

(Real Estate) Supplement: NAREIT Leader in the Light

The National Association of Real Estate Investment Trusts (NAREIT) is a GRESB Industry Partner and we work in close collaboration. NAREIT encourages its corporate members to complete the annual GRESB Real Estate Assessments, which, for the past six years, has been the basis for their annual Leader in the Light Award competition.

The Leader in the Light Awards are presented to REITs in eight property sectors: Diversified, Global (for non-U.S. companies), Health Care, Industrial, Lodging/Resorts, Office, Residential and Retail. If there are both large and smallcap entries that meet the awards criteria in a given property sector, awards are presented to both the leading large and small cap companies.

To participate in the Leader in the Light Award program, NAREIT members must complete both the GRESB Real Estate Assessment and the Leader in the Light Supplement. Once all sections of the GRESB Real Estate Assessment are completed, including the Leader in the Light Supplement, participants are able to submit their
entire submission which will automatically be included in the Leader in the Light Award competition.

**GRESB Debt Assessment**

The GRESB Debt Assessment is an industry-led ESG evaluation tool designed specifically for primary lenders including regional and national banks, insurance companies, private equity debt funds and mortgage REITs.

It has been developed in collaboration with the industry and has a specific focus on sustainability actions related to:

- Corporate ESG policies and business unit implementation
- Loan origination, due diligence and stakeholder engagement processes
- Property-level collateral monitoring methods
- Targeted loan programs and asset upgrade financing offerings

The Assessment consists of 26 core indicators, supplemented by 5 sector-specific indicators applicable to the lending units of banks and insurance companies, and a different set of 5 indicators applicable to private equity debt funds.

The Assessment identifies global best practices in loan origination, due diligence underwriting and portfolio monitoring. It provides participants with an understanding of how their ESG integration compares with peers and insight on how to advance lending and risk management processes.

**GRESB Infrastructure Assessment**

The GRESB Infrastructure Assessment is an ESG engagement and benchmarking tool for institutional investors, fund managers and asset operators working in the infrastructure space.

The GRESB Infrastructure Assessment consists of two complementary components, a Fund Assessment and an Asset Assessment. Both components address critical aspects of ESG performance through a standardized, globally applicable, reporting and benchmarking framework. The GRESB Infrastructure Assessment focuses on operating investments, infrastructure assets, companies and funds, and covers the full breadth of infrastructure sectors, including:

- Energy generation (including renewables)
- Energy transmission, distribution and storage
- Telecommunications
- Transportation
- Waste treatment and disposal
- Water supply and treatment
- Social infrastructure

The GRESB Infrastructure Assessment provides investors with actionable information and tools to monitor and manage the ESG risks and opportunities of their investments, and to prepare for increasingly rigorous ESG obligations. GRESB Infrastructure Assessment participants receive comparative business intelligence on where they stand against their peers, a roadmap with the actions they can take to improve their ESG performance and a communication platform to engage with investors.
Introduction

Thank you for participating in the 2018 GRESB Debt Assessment. This year’s Assessment includes 31 indicator across six ESG-based Aspects that apply to risk management process during loan underwriting and portfolio monitoring. The 2018 Assessment builds upon received participant and stakeholder feedback and results from 2017 Debt Assessment.

2018 GRESB Debt Reference Guide

This Guide accompanies the 2018 GRESB Debt Assessment and is intended to provide all basic information required for a complete submission:

• An introduction to the overall Assessment structure and indicator types;
• Technical instructions, descriptions and requirements for each indicator;
• Information about changes relative to previous Assessment version;
• Details that inform validation, scoring, and evidence requirements.

This Guide provides the basic information needed to complete the 2018 Assessment. If you need additional help, please contact our helpdesk team at info@gresb.com.

2018 Assessment Development Highlights

• Sector-specific aspects specifically tailored for institutional lenders and private equity real estate debt funds;
• Additional focus on implementation actions done by a lender during loan underwriting and post-close monitoring;
• Improved indicator structure that allows for better evaluation of post-close data collection and review process;
• New indicators focusing on borrower engagement process and mitigation actions for long-term sustainability risks.

Participation and Membership

Participation in the Debt Assessment is free of charge. All participants receive a Scorecard with a summary of ESG performance. Participants do not need to be GRESB Members.

GRESB Members receive a bundle of benefits including a detailed Benchmark Report detailing current strengths and opportunities for improvement, business intelligence from peer-to-peer comparisons, and a thematic analysis of aspect scores.

Members also receive a high-level pre-submission response check, and increased engagement opportunities including the opportunity to participate on the GRESB Debt Advisory Board.

Who can see my data?

GRESB Debt Assessment results and underlying information are private and not disclosed to any third parties. Data is submitted to GRESB through a secure online platform and can only be seen by current GRESB staff, or authorized personnel from GRESB’s parent company (GBCI, Inc). as necessary for the data validation process.
Grace Period

GRESB offers participants reporting for the first time, the option to not disclose their first year Assessment results to their investors. This 'Grace Period' allows participants to familiarize themselves with the GRESB reporting and assessment process without externally disclosing their results.

While Grace Period participant names are disclosed to GRESB Participants, none of them are able to request access to Grace Period participant results.

First time participants wishing to opt for the Grace Period can select the option from the settings section in the Assessment Portal.

Participant tools

The GRESB Assessment Portal has the following tools and functionality to help ensure an efficient and accurate submission:

- **Pre-filling**: Participants from 2017 are able to pre-fill selected questions in the 2018 Assessment response. Indicator specific guidance includes details on pre-filling and changes from the 2017 Assessment. Make sure to review the response and evidence carefully before submitting the Assessment. Evidence should apply to the reporting year listed in the Entity Characteristic section;
- **Template function**: This function is available to participants who are GRESB Members. Participants can use this tool template to copy indicator responses that are identical across multiple participating entities.
- **Assessment access tool**: A participating can invite colleagues, advisors and consultants to register in the Portal to assist with the submission of data to GRESB.
- **Multiple uploads**: The Portal allows participants to upload multiple documents as evidence per indicator, eliminating the need to merge different documentation into one file;

Timeline and Process

The GRESB Debt Assessment opens on April 1, 2018 via the assessment portal available at GRESB.com. The submission deadline is July 1, 2018 which provides participants a three-month window to complete the Assessment. This is a fixed deadline, and GRESB will not accept submissions received after this date.

The GRESB validation process starts on June 15 and continues until July 31, 2018. We may need to contact you during this time to clarify any issues with your response.

Results are published in September and are distributed as follows:

- Participants: Receive a Scorecard for each submission.
- Members: Members receive a full Benchmark Report for each submission, access to additional functionality in the Member Portal and preferential marketing, industry recognition, and networking opportunities.

For an overview of key dates and activities for the 2018 Assessment cycle, please see the Assessment timeline.
Response Check

A Response Check is a high-level check of a participant's Assessment response prior to final submission. It helps to reduce errors that may adversely impact the Assessment results and ensures the submission is as complete as possible.

The Response Check is available for request from April 1 to June 8, 2018 subject to available resources. We strongly encourage participants to place their request as early as possible. Fee for non-members is EUR 1,250 (exclusive of VAT).

Members are able to request a complimentary Response Check for one entity as a membership benefits.

Assistance with the GRESB Assessments

If you need assistance or have Assessment-related questions you can:

- Use the Frequently Asked Questions (FAQ) in the GRESB Portal.
- Use the "Ask GRESB" button next to each question in the Portal or use the online contact form. We will answer your query within two working days.
- Contact one of our Partners (see www.gresb.com for more details).
- If you need assistance on other topics or wish to contact a member of the GRESB team directly, you can use the online contact form or send an email to info@gresb.com.
Debt Assessment and Reference Guide
Structure

Assessment Aspects

The 2018 Assessment includes 31 indicator split across 6 aspects that cover lending-related activity:

- **Management** - Sustainability objectives as integrated into lending practices
- **Policy & Disclosure** - Existence of sustainability policies and performance disclosure
- **Due Diligence** - Application of sustainability considerations into the underwriting process
- **Monitoring** - Use of specific KPIs to measure the sustainability performance of existing loans and ongoing loan monitoring
- **Risks & Opportunities** - Actions taken to address sustainability risks
- **Sector-Specific** - Tailored aspects applicable to private equity funds and institutional lenders including banks and insurance companies.

Indicator Structure

Every indicator in the 2018 Assessment can be answered with ‘Yes’ or ‘No’.

After selecting “Yes”, participants have the option to further classify the response by selecting one or more sub-options and/or complete an open text box.

Participants should select all sub-options that accurately describe the participant's lending approach and for which it can provide evidence to validate the response. Indicators that require evidence are clearly marked in the Reference Guide and GRESB Portal.

After selecting “No”, participants may not select any additional sub-options; the indicator will receive no points.

GRESB has marked each indicator to reflect what the corresponding 2017 indicator was, or if it is a new indicator, by providing the 2017 indicator number in black on the right of the page. This is also reflected in the guidance notes for every indicator.

Indicator Components

The Assessment is a layered tool constructed around six core components – Radio buttons, Checkboxes, ‘Other’ answers, Open Text Boxes, Evidence and Portfolio Coverage. These components are explained below and are often combined within one indicator.

**Radio buttons:** Some indicators have additional mutually exclusive radio buttons. In all cases participants must select the one that is the most applicable to the lending process.

**Checkboxes:** The majority of Assessment indicators contain a set of checkboxes that participants can select after answering ‘Yes’. Participants may select multiple sub-options that represent their lending approach and post-close monitoring.

**‘Other’ answers:** Some indicators offer the opportunity to provide an alternative answer option (‘Other’). Such
other answers must stand outside of the options listed in the question. Participants should not report multiple other answers within one text box. All answers are validated as part of the data validation process.

**Open Text Box (OTB):** This text box allows participants to offer succinct context to elaborate on an answer. The majority of open text boxes are used for validation and scoring. Each open text box has unique set of requirements that must be met to receive points for a particular indicator. Indicator-specific requirements are described in the Assessment, and explained in detail within this Reference Guide.

Only open text boxes that are marked as ‘for reporting purposes only’ are not scored but will be included in the Benchmark Report.

**Evidence:** Some indicators require additional layer of context in terms of evidence that supports provided answer. More detailed explanation of the applicable evidence items is in the next section of the Reference Guide.

**Portfolio Coverage:** Some indicators provide a text box where participants must report portfolio-related percentages. Portfolio coverage is indicator specific, and relies on a numerical expression of portfolio structure. Guidance for portfolio coverage can be found under each indicator.

### Indicator Guidance

Guidance within this Guide includes two sets of contains summary overviews and/or detailed explanations:

**Aspect:** high-level explanation that includes:

a. Aspect intent  
b. Section content

**Indicator:** granular explanation that includes:

a. Indicator intent  
b. Identification and allocation to a GRESB dimension – Management & Policy or Implementation & Lender Practices  
c. Maximum number of points available  
d. Category allocation – Environmental (E) Social (S) or Governance (G)  
e. Applicable terminology  
f. Requirements for a well structured response  
g. Necessary evidence  
h. Scoring elements  
i. Any applicable supporting materials or examples.

### Evidence

Certain indicators require participants to provide supporting evidence. This evidence is used to validate the overall answer, and any additional selected criteria. GRESB does not have a standard for evidence, but rather the expectation that a validator with reasonable domain expertise can locate support for the participant’s answer within the evidence provided.

Evidence provided should not require extensive interpretation or inference. Participants are strongly encouraged to provide the simplest evidence that supports an answer. It is the responsibility of the participant to provide clear and concise information that can be understood by the validator.
General requirements: The form of evidence is free and examples include formal documents, (sections of) presentations, memos, meeting minutes, internal or external reports. More information on evidence is provided with each indicator.

The GRESB Debt Assessment allows for the provision of two types of evidence:

1. **Document upload:** Participants may submit any document that supports selected checkboxes and/or content of an open text box. Uploads are used by the validation team to substantiate claims, and support subsequent scoring. In 2017, GRESB introduced enhanced Portal functionality supporting multiple document uploads as indicator evidence.
   - **Upload Library:** Uploaded documents are stored in a participant’s document library; these documents remain accessible after each response submission.
   - **Redacted Documents:** Participants may redact documents; however, a redacted document must contain enough information to validate the indicator.
   - **Partial Documents:** Participants may upload sections of larger documents. Partial documents must include in the name and publication date of the full document.
   - **Relevant Location:** To facilitate the data validation process, use the assigned box to describe the section and page containing the relevant information. Within the uploaded document, participants often add a cover page, or clearly highlight, encircle, or otherwise identify the specific page number(s) within the upload.
   - **Evidence template:** The Evidence template may be used as a standalone document or as a cover page for uploaded evidence. This template allows for easier identification of relevant information for each sub-option selected within an indicator.

6. **Hyperlink:** For all URL’s, please ensure the relevant page can be accessed within two steps. To qualify as valid supporting evidence, this URL must demonstrate the existence of each criteria selected. Broken links are interpreted as absence of evidence.

**Mandatory evidence:** For almost all indicators where 'Upload evidence' marker exists participants must provide evidence that supports their response. Only indicators where the evidence is not mandatory are: DD1 and RO2.

**Language**

Your Assessment response must be submitted in English. Official documents uploaded as supporting evidence, do not need to be translated. However, a summary of the content should be provided in English via the Evidence template.

**Reporting Period**

Answers must refer to the reporting period identified in EC5 in the Assessment, unless the indicator specifies an alternate reporting period. A response to an indicator must be true at the close of the reporting period; however, the response does not need to have been true for the entire reporting period.

**Reporting level**

Assessment indicators are tracked at two levels. Each indicator specifies a response level. Where a participating entity is part of a larger organization or group of companies, GRESB directs indicators to be answered at either:
1. ‘Organization Level’;
2. ‘Entity / business unit Level’.

**Organization Level:** If the participant is a lending unit or division within a larger financial institution or corporate group, the response may relate to broad organization-level policies/processes. These indicators are not required to primarily relate to the lending unit (i.e. ‘Entity’) submitting the Assessment.

**Entity / business unit Level:** These indicators require the highest level of detail. Responses should specifically relate to the named lending unit / group submitting the Assessment.

In case entity / business unit uses organization level policies/processes, they can be uploaded in the entity specific indicators but participants should elaborate use of these overarching policies/processes.
Scoring Methodology and Peer Grouping

Scoring Model

The scoring model is based on an automated system, deployed via a technology platform designed for GRESB by a third party that specializes in data analysis software development. Following data validation, scoring is completed without manual intervention.

The GRESB Debt Assessment is structured into 6 sustainability Aspects. The weighted combination of points achieved in first five aspects generates the overall GRESB Score. The sixth, Sector-specific Aspect, is not used for the GRESB Score but will be reported separately as a Sector score. This Reference Guide provides detailed insight into the points available for each indicator, and the weighting of Assessment Aspects.

The sum of the scores for each indicator adds up to a maximum of 70 points; the overall GRESB Score is expressed as a percentage – from 0 to 100. To provide additional understanding of performance, the score is divided into two dimensions: Management & Policy (MP) and Implementation & Lender Practices (IL). These scores are visualized using the GRESB Model.

Management & Policy is defined as ‘internal processes evidenced by sustainability policies and management procedures adopted by the company, fund or lending unit and connected to one or more actions.’ The maximum score for Management & Policy is 32 points – this is 46 percent of the overall GRESB Debt Score, and expressed as a percentage.

Implementation & Lender Practices is defined as ‘one or more actions taken to implement specific lending activities and/or the ongoing monitoring of loan portfolio performance indicators.’ The maximum score for Implementation & Measurement is 38 points – this is 54 percent of the overall GRESB Score, and expressed as a percentage.

Indicator Points

For indicators where you can select one or more sub-options, GRESB awards points cumulatively for each individual sub-option and then aggregates to calculate a final score for the indicator. For many indicators, this final score is capped at a maximum, which means that it is not necessary to select all answer sub-options in order to receive full points. Open text boxes (where participants answer through a descriptive text) may receive full, partial or no points. Points are awarded for valid responses, based on the quality of the responses.

Aspect Points

<table>
<thead>
<tr>
<th>Marker</th>
<th>Aspect name</th>
<th>Maximum points</th>
<th>Aspect weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA</td>
<td>Management</td>
<td>12</td>
<td>17.1%</td>
</tr>
<tr>
<td>PD</td>
<td>Policy &amp; Disclosure</td>
<td>13</td>
<td>18.6%</td>
</tr>
<tr>
<td>DD</td>
<td>Due Diligence</td>
<td>13.5</td>
<td>19.3%</td>
</tr>
<tr>
<td>ME</td>
<td>Monitoring</td>
<td>16</td>
<td>22.9%</td>
</tr>
<tr>
<td>RO</td>
<td>Risks &amp; Opportunities</td>
<td>15.5</td>
<td>22.1%</td>
</tr>
<tr>
<td>FUND</td>
<td>Fund Indicators</td>
<td>11</td>
<td>Not part of the GRESB Score</td>
</tr>
<tr>
<td>BANK</td>
<td>Bank Indicators</td>
<td>11</td>
<td>Not part of the GRESB Score</td>
</tr>
</tbody>
</table>

Each of the six Aspects have specific weights and number of points associated. Maximum number of points per Aspect that participants can achieve is equal to the sum of points for underlying indicators. Number of maximum points and Aspect weights are available in this table:
**GRESB Model**

The scores for Management & Policy (MP) and Implementation & Lender Practices (IL) are visualized using the GRESB Model. Depending on the points achieved along each MP and IL axis, each participant falls within one of the four quadrants.

**GRESB Rating**

The GRESB Rating is an overall measure of how well ESG issues are integrated into the lending practices of institutional lenders and real estate debt funds.

The rating is based on the GRESB Score and its quintile position relative to the GRESB universe. It is calculated relative to the global performance of all reporting entities - lender type and geography are not taken into account.

The calculation of the GRESB Rating is based on the GRESB Score and its quintile position relative to the GRESB universe, with annual calibration of the model. If the participant is placed in the top quintile, it will have a GRESB 5-star rating; if it ranks in the bottom quintile, it will have a GRESB 1-star rating, etc.

**Allocation to E, S, G**

GRESB allocates each indicator to one of the three sustainability dimensions – Environmental, Social or Governance

- **E** – indicators relate to actions and efficiency measures undertaken to monitor and decrease the environmental footprint of the loan portfolio.
- **S** – indicators relate to the entity's relationship with, and impact on, its stakeholders including the direct social impact of its activities
- **G** – indicators relate to the governance of sustainability including organizational policies, operational procedures, and overall approach to sustainability by the entity and/or organization.

**Peer group allocation**

Each participant is assigned to a peer group, based on the participants’ lending actions and geographical location, as reported in EC3. To ensure participant anonymity, GRESB will only create a peer group if there is a minimum of five peers in the group.

Peer group assignments do not affect an entity’s score, but determine how GRESB puts participant’s results into context. The peer group composition is determined by a simple set of quantitative rules and provides consistent treatment for all participants. Peer group participants will see only Fund Manager / Organisation name in the list of peer group constituents.

GRESB requests details on Entity Characteristics [EC] and Reporting Characteristics [RC] to construct these groups for proper benchmarking and comparison opportunities.
Data Validation Process

Validation Approach

Data validation is an important part of the GRESB benchmarking process. The purpose of data validation is to encourage participant best practices in data collection and reporting. Following receipt of each participant’s Assessment submission, GRESB validates the inputted data prior to full analysis and benchmarking. This process continues from the date of the first Assessment submission until the final close of the data set on July 31, 2018.

GRESB validation is a check on (a) factual accuracy and (b) logical underpinnings (e.g. clear, sound reasoning) of GRESB Assessment submissions including:

- Key topics: Indicators requiring (a) quantitative information, and (b) indicators strongly weighted within the scoring methodology.
- Third-party review topics: Indicators requiring confirmation of third-party checks of sustainability data (e.g. reviews, verification, assurance).
- Umbrella topics: Checks on indicators with broad and overarching relevance to sustainability attributes present within the loan portfolio.

GRESB validators check:

1. The existence and specific content provided in open text boxes.
2. Any additional information provided including third-party organization names; assurance, audit, certification and verification standards; and the content provided when answering ‘Other’ to an Assessment indicator.
3. Content quality of uploaded documents.

Validation Process

All data submitted is subject to the GRESB data validation process. The GRESB Debt Assessment administers a three-tier validation process that includes:

1. **All Participant Check**
   - Detailed review of selected data points for every participant;
   - Validate each question-by-question response using a primary and secondary review system;
   - Review open text boxes and uploaded fields, including system providers, industry standards, green building certificates and energy ratings;
   - Check to confirm the existence of supporting evidence for necessary indicators (hyperlink or uploaded document)

5. **Validation Plus**
   - Validate supporting evidence provided by all participants;
   - Engage an in-depth review of all uploads and other supporting evidence to determine applicability to related indicators;
   - All 2018 GRESB Debt participants are subject to Validation Plus process such that all document uploads and/or hyperlinks are examined and scored relative to the indicator requirements as stated in the guidance.

4. **Validation Interview**
   - Random participants are selected for in-depth reviews of all data provided; GRESB performs interviews either in person or via teleconference;
   - Additional reviews include portfolio characteristics and difficult-to-validate data points.
Validation Statuses

Each indicator component has specific set of validation decisions that could be assigned dependent on the indicator requirements. List of these validation decisions are noted and explained below:

<table>
<thead>
<tr>
<th>Component</th>
<th>Validation status</th>
<th>Explanation</th>
<th>Scoring impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Other' answer</td>
<td>Accepted</td>
<td>Provided other answer falls outside the provided options and fulfills indicator requirements.</td>
<td>Designated number of points will be awarded for this response.</td>
</tr>
<tr>
<td></td>
<td>Duplicate</td>
<td>Provided answer fulfills indicator requirements but duplicates already selected answer.</td>
<td>No points will be awarded for this response.</td>
</tr>
<tr>
<td></td>
<td>Not Accepted</td>
<td>Provided answer does not fulfill indicator requirements.</td>
<td>No points will be awarded for this response.</td>
</tr>
<tr>
<td>Open Text Box (OTB)</td>
<td>Full points</td>
<td>Provided response covers all OTB specific requirements stated in the Reference Guide.</td>
<td>Designated number of points will be awarded for this response.</td>
</tr>
<tr>
<td></td>
<td>Partial points</td>
<td>At least one of OTB requirements stated in the Reference Guide wasn't fulfilled.</td>
<td>Only part of designated points will be awarded for this response.</td>
</tr>
<tr>
<td></td>
<td>No points</td>
<td>None of the OTB requirements stated in the Reference Guide were fulfilled.</td>
<td>No points will be awarded for this response.</td>
</tr>
<tr>
<td>Evidence</td>
<td>Accepted</td>
<td>Uploaded document(s)/hyperlink(s) fully support provided response and fulfills indicator requirements.</td>
<td>No significant impact on scoring.</td>
</tr>
<tr>
<td></td>
<td>Partially accepted</td>
<td>Less than majority of provided responses where supported by the evidence or provided document/hyperlink did not fully fulfill the requirements.</td>
<td>Indicator or sub-section score will be multiplied by 0.5.</td>
</tr>
<tr>
<td></td>
<td>Not accepted</td>
<td>None of the provided responses where supported by the evidence or provided document/hyperlink did not fulfill the requirements.</td>
<td>No points will be awarded for the related section of the indicator.</td>
</tr>
</tbody>
</table>

In the Benchmark Report, participants can see the validation status next to each component and by clicking 'Learn more' button see granular validation checklist that was used. GRESB will publish detailed Debt Assessment scoring document by the end of the year.
2018 Debt Assessment changes

GRESB works closely with its Members and broader industry stakeholders to ensure the Debt Assessment addresses sustainability issues specific to real estate lenders. Following extensive industry engagement and consultation with the GRESB Debt Advisory Board and 2017 Participants, the 2018 Debt Assessment introduces structural updates, new indicators and refinements to existing indicators.

The table below contains information on the most substantial of these improvements.

**Entity & Reporting Characteristics**

**EC3**  
**Improvements to entity type definition**

*Rationale for change:* Refines the entity definition to focus on lender type rather than legal structure. This change is necessary for better peer grouping and providing sector-specific indicators.

*Impact of change:* No significant impact.

**RC6**  
**New indicator - open text box**

*Rationale for change:* Multiple participants indicated interest in the opportunity to communicate key sustainability achievements over the reporting period. This non-scored, open text box will be for reporting purposes only and included in the Benchmark Report.

*Impact of change:* No significant impact.

**Management**

**MA1.1**  
**Additional text boxes - explanations**

*Rationale for change:* Each radio button contains a new text box for providing additional contextual information. The new structure allows participants to define specific objectives/targets/KPIs. Previously this opportunity was included in Q1.2.

*Impact of change:* Information will be validated and scored.

**MA1.2**  
**New indicator - sustainability objectives**

*Rationale for change:* Scope changed to emphasize actions taken to achieve objectives tied to MA1.1. This change supports the Debt Assessment emphasis on implementation actions. Scope of the Open Text Box is expanded to require a description of metrics used to track implementation progress.

*Impact of change:* 2018 Assessment participants must select applicable checkboxes then provide necessary context for validation and scoring.
**MA3.2 Additional changes - investment committee review**

**Rationale for change:** Scope changed from a narrower focus on the presence of a senior decision-maker with sustainability responsibility to now emphasize the investment committee process including sustainability-themed items reviewed during loan approval. The open text box scope request context on the loan review process along with actions committee takes to mitigate sustainability risks.

**Impact of change:** Participants must select applicable checkbox(es) and provide substantive context to receive points. This open text box will be validated and scored.

---

**Policy & Disclosure**

**PD1.1 Internal guidance - decision making framework**

**Rationale for change:** A range of guidance levels inform this indicator, and are provided to ensure better representation of participant actions. Evidence is mandatory and will be validated.

**Impact of change:** The level of internal guidance in place impacts scoring.

**PD1.2 Additional checkboxes - asset metrics, project scope and property type**

**Rationale for change:** Participants requested an opportunity to report more granular aspects to this internal guidance. Certain options connect to Q8 in the 2017 Debt Assessment.

**Impact of change:** Participants must select applicable checkbox(es) and provide substantive context to receive points. This open text box will be validated and scored.

**PD2 New indicator - post-close data monitoring**

**Rationale for change:** As lenders gather more sustainability-related metrics, a systematic approach to data collection is needed for improved risk management. Presence of a written guidance document signals the presence of a systematic approach.

**Impact of change:** The new indicator substitutes Q9 and will be scored in 2018.

**PD3 Enhanced indicator scope**

**Rationale for change:** Scope of this indicator has improved to emphasize lender engagement and involvement with evolving industry practice.

**Impact of change:** The engagement scope impacts scoring.
Due Diligence

DD4  New indicator - sustainability scorecard

**Rationale for change:** Multiple 2017 Debt Assessment participants reported implementing sustainability-related scorecards to inform borrower and collateral analysis. This indicator allows participants to report the technique utilized.

**Impact of change:** This new indicator substitutes Q14 and will be scored in 2018.

Monitoring

ME1.1  Indicator refinement - borrower emphasis

**Rationale for change:** This refinement is focused on sustainability-related KPI tracking specific to the borrower.

**Impact of change:** The new indicator substitutes Q16 and will be scored in 2018.

ME1.2  Indicator refinement - asset emphasis

**Rationale for change:** Indicator structure changed to offer opportunity to focus on asset type, relevant KPIs, and update frequency.

**Impact of change:** Update frequencies will be validated and scored.

ME3  Granular certification levels

**Rationale for change:** Multiple participants reported tracking energy rating levels and the types of achieved building certificates within the loan portfolio. This new indicator structure allows participants to report certification level exposure.

**Impact of change:** Percentage coverage of all applicable certifications and levels is necessary to complete this indicator.

ME4  Building certification monitoring capabilities

**Rationale for change:** To decrease reporting burden and improve data quality, new building certifications must be selected from the dropdown menu, then reported based on portfolio percentage coverage.

**Impact of change:** The ability to granularity identify building certifications, by level and points achieved, will be used in scoring.
Risks & Opportunities

R01.1 Additional checkboxes - valuation frameworks

**Rationale for change:** Focus of the indicator is how lenders include sustainability attributes in the valuation assignment. Participants may choose from existing frameworks or otherwise explain their approach.

**Impact of change:** The refined indicator substitutes Q23.1 and will be scored in 2018. Open text box is mandatory, and will be validated and scored.

R01.2 New indicator - post-close valuation attributes

**Rationale for change:** This indicator identifies the post-close valuation process as to the inclusion of sustainability attributes. Participants may select all applicable textbox(es) for this indicator.

**Impact of change:** The indicator replaces Q23.2 and is scored.

R04 Long-term sustainability risk identification

**Rationale for change:** The 2018 GRESB Debt Assessment includes additional checkboxes to better reflect key long-term sustainability risks faced by lenders. Participants may select applicable checkboxes when submitting this indicator.

**Impact of change:** No significant impact.

Fund Indicators

FUND1 Sustainability oversight - responsibilities and organizational reach

**Rationale for change:** Updated indicator structure allows participants to better define scope of the sustainability taskforce/committee.

**Impact of change:** No significant change.

FUND3 New indicator - asset improvement plan

**Rationale for change:** Multiple 2017 participants noted they require borrowers to provide asset improvement plans as condition of loan approval. This indicator allows participants to elaborate on the applicability and scope of asset improvement plans.

**Impact of change:** All information components are used to score this indicator.
**FUND4**  
**New indicator - social impacts**

**Rationale for change:** Social impact review is necessary for commercial real estate lenders to integrate and track portfolio impacts.

**Impact of change:** Participants may select applicable checkboxes. This indicator will be scored in 2018.

**FUND5**  
**New indicator - long-term risk mitigation strategies**

**Rationale for change:** This indicator asks participants to describe their approach to mitigating long-term sustainability risks in the real estate loan portfolio.

**Impact of change:** Completing this open text box is mandatory; this indicator will be validated and scored.

**Bank Indicators**

**BANK1**  
**Refinements - additional description opportunity**

**Rationale for change:** Multiple 2017 Debt Assessment participants reported requiring specific metrics/thresholds for green loan product/program eligibility and/or internal impact targets.

**Impact of change:** Additional information contained in text boxes will be validated and scored.

**BANK3**  
**New indicator - green certification review**

**Rationale for change:** Specific points achieved during green building certification provide supplementary information for risk management and review. Lenders should focus beyond the building certification level to include the specific points achieved.

**Impact of change:** This new indicator is scored.

**BANK4**  
**New indicator - dedicated capital**

**Rationale for change:** Multiple 2017 GRESB Debt participants maintain capital commitments earmarked for financing property efficiency upgrades. This indicator allows participants to report progress, targeted impacts and achievements.

**Impact of change:** All components of this indicator will be scored in 2018.

**BANK5**  
**New indicator - notification process**

**Rationale for change:** Advanced borrower and asset-based data tracking can identify future portfolio risk issues. Participants may select all applicable criteria and provide relevant context in the open text box.

**Impact of change:** All components will be used for validation and scoring.
Entity & Reporting Characteristics

Intent and Overview

The information required by the Entity and Reporting Characteristics section provides the framework for the submission of the GRESB Debt Assessment. This section identifies unique lender and portfolio characteristics and serves as the basis for scoring and peer group determination. Therefore, you must first complete this section before completing the remainder of the Assessment.

The section consists of two parts:

- **Entity characteristics:** Identifies the participating entity, based on characteristics that remain constant across different reporting periods (year-over-year).
- **Reporting characteristics:** Defines the reporting scope of the entity for the current reporting period and determines the structure of the Assessment submission.

Entity Characteristics

**2017 Indicator**

**EC1 Legal characteristics**

Entity/Business unit name: ____________
Organization name (if applicable): ____________

**Intent**
Identify the participating entity. Participants should submit entity and organization name if applicable.

**Terminology**

**Entity name:** Fund, company and/or lending unit name that best identifies the portfolio for this Assessment submission.

**Organization name:** Legal name of the organization that manages or owns the entity. For mortgage REITs, please use the full legal name of the listed company.

**Requirements**
Complete all applicable fields.

In the case of real estate finance units [banks, insurance companies, pension / sovereign wealth funds], the 'entity' denotes the specific real estate lending unit, and not the larger organization and/or parent company.

In the case of private equity debt funds, 'entity name' identifies the specific fund submitting the Assessment, and not the name of the larger investment management organization.

For mortgage REITs, the entity name is the full legal name used for identification on international stock exchanges.
EC2  Location of the entity's headquarters office:

Street Address: ____________
City: ____________
Region/State: ____________
Country: ____________

Intent
Identify the entity's headquarters office. Participants should fill all sections.

Requirements
Complete all applicable fields.

Note: This information will be used in data analysis and peer grouping.

EC3  Nature of the entity

To best determine peer groups, please select the most applicable lender type

- Private equity real estate debt fund
- Mortgage REIT
- Bank specializing in property investment/development financing
- Real estate lending unit of a: [select applicable]
  - Bank
  - Insurance company
  - Pension fund
  - Sovereign wealth fund

The entity is a:

- Listed company
  - Please specify ISIN/ticker: ____________
- Non-listed company
- Other: ____________

Intent
Describe the real estate lender type and nature of the participating entity. Participants should the most applicable type that fits the reporting entity.

Terminology

**ISIN:** International Securities Identification Number. ISINs are assigned to securities to facilitate unambiguous clearing and settlement procedures. They are composed of a 12-digit alphanumeric code and act to unify different ticker symbols, which can vary by exchange and currency for the same security. In the United States, ISINs are extended versions of 9-character CUSIP codes.

**Listed company:** An entity that is publicly listed on a recognized stock exchange. Real estate finance units of publicly listed banks and insurance companies are considered a public company, as are mortgage REITs.
Non-listed company: Any participating entity that is not a public company (e.g., a private equity debt fund) or is not managed or owned by a public company (e.g., a pension fund or sovereign wealth fund real estate finance unit).

Requirements
Complete all applicable fields.
Participants must select the most applicable lender type:

- For real estate debt fund or an entity that has only syndication/participation loans - please select 'Private equity real estate debt fund'.
- For a Mortgage REIT - please select 'Mortgage REIT'.
- For a bank that is solely focused on property investment/financing - please select 'Bank specializing in property investment/developing financing'.
- For banks and insurance companies that are balance sheet lenders - please select 'Real estate lending unit of'.

In the second section, please identify the entity as either a public or private company.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. Participants should indicate other lender type.

EC4  Nature of the business:

Please note that reported percentages can’t exceed 100%

- Loan originator
  - Percentage of originations held on balance sheet: ____________%
  - Percentage of originations syndicated: ____________%
  - Percentage of originations securitized: ____________%

- Loan purchaser
  - Percentage of portfolio purchased: ____________%

Intent
Describe the nature of the participating entity’s business. Participants should select the applicable answer and provide percentages per loan type.

Terminology
Loan originator: The lender that serves as the primary loan underwriter and provides proceeds to the borrower.

Loan purchaser: The party that purchases a loan or group of loans from a loan originator.

Requirements
Complete all applicable fields.
Participants must provide portfolio split per sub-category at the end of reporting period.

Note: Sum of reported percentages should not exceed 100%.
The reporting period is:

- Calendar year
- Fiscal year

Specify the starting month [Month]

**Intent**
Set the entity’s annual reporting period.

**Terminology**
- **Calendar year**: January 1 – December 31.
- **Fiscal year**: The period used to calculate annual financial statements. Depending on the jurisdiction the fiscal year can start on April 1, July 1, October 1, etc.

**Requirements**
Select applicable reporting period.

---

**Reporting Characteristics**

**RC1** Values are reported in:

- Australian Dollar (AUD)
- Brazilian Real (BRL)
- Canadian Dollar (CAD)
- Chinese Yuan (CNY)
- Danish Krone (DKK)
- Euro (EUR)
- Hong Kong Dollar (HKD)
- Indian Rupee (INR)
- Japanese Yen (JPY)
- Malaysian Ringgit (MYR)
- Mexican Peso (MXN)
- Pound Sterling (GBP)
- Singapore Dollar (SGD)
- South Korean Won (KRW)
- Swedish Kronor (SEK)
- Swiss Franc (CHF)
- United States Dollar (USD)
- Other: ____________

**Intent**
Set the currency in which the entity reporting is denominated.

**Requirements**
State the currency that is used for Assessment indicators that require a monetary value as a response.

**Other**: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. Participants should state a currency.
RC2  What is the aggregate unpaid principal balance (i.e. outstanding loan value) of the entity's portfolio at the end of the reporting period?

Please report this value in millions taking into account currency reported in RC1

Intent
State the size of the entity. Participants should report aggregate UPB due to the entity at the end of the reporting period.

Terminology
UPB: The unpaid portfolio balance is the total outstanding loan value of the entity's portfolio at the end of the reporting period.
Unpaid principal balance (UPB) is a metric used in GRESB data analysis to identify the size of the reported portfolio.

Requirements
Complete the value in millions using the designated field (e.g. UPB of $75,000,000 must be reported as 75). Do not write the currency, as this has been selected in Indicator RC1.

RC3  For peer group purposes, describe the loan portfolio composition:

<table>
<thead>
<tr>
<th>Debt Strategy</th>
<th>% of loan portfolio</th>
<th>Average Loan Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior whole loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subordinated loans (mezzanine/junior)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Syndicated loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securitized loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Intent
Set the loan portfolio composition. Participants should report coverage per debt strategy and average loan term per strategy. This section will be used as a basis for scoring and peer group determination going forward.

Terminology
Loan term: The life span of a Loan, namely time between loan origination and final payment. For the purpose of RC3, the average loan term should be weighted by the unpaid balance.

Participation loan: A large loan arranged by a group of banks to a single borrower through a lead bank. Unlike a syndicated loan, each lender does not have a direct contractual relationship with the borrower.

Securitized loan: Type of loan where multiple loans are pooled together, consolidated, and sold in tranches with specific payment and risk characteristics.

Senior whole loan: Senior ranking and conservatively structured real estate loans with leverage up to approximately 60%.

Subordinated loan: Loans subordinate to senior debt, including stretched senior (40%-60% LTV), junior
(60%-70% LTV) and mezzanine financing (70%-85%+ LTV).

**Syndicated loan:** A large loan arranged by a group of international banks that form a syndicate, headed by a lead manager.

**Requirements**
Complete the table stating portfolio construction per loan type and stating average loan term.

**Note:** The sum of percentages must add up to 100% to reflect anticipated principal repayment.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. Participants should indicate lending strategy.

---

**RC4 Which countries and property types are included in the entity's portfolio?**

<table>
<thead>
<tr>
<th>Country</th>
<th>% of loan portfolio</th>
<th>Number of Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Property Type by Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
</tr>
<tr>
<td>--------</td>
</tr>
</tbody>
</table>

**Intent**
Describe the portfolio composition per country. Participants should report number of assets and property type per country. This section will be used as a basis for scoring and peer group determination.

**Terminology**

**Hotel:** Includes hotels, motels, youth hostels, lodging, and resorts.

**Industrial:** Includes distribution warehouses, flex, manufacturing and self-storage.

**Number of assets:** For the purpose of a valid GRESB assessment, please include the total number of loans by country. Report on the entire real estate debt portfolio including all debt strategies to include full and shared interests.

**Office:** Includes free-standing offices, office terraces, unattributed office buildings and office parks.

**Residential:** Refers to buildings with at least five residential units including apartments and student housing.

**Retail:** Includes high street shopping centers, regional malls, power centers, neighborhood centers, strip malls, factory outlets and free-standing single-tenant retail.

**Requirements**
Complete the table stating portfolio construction per country and percentage of loans secured by particular property type.

**Note:** Total percentage of country exposure must add up to 100%.

Total percentage of property types must add up to 100% within each country.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. Participants should indicate other property type included in the portfolio.
**RC5 Provide additional context describing the lending activity and/or loan portfolio (reporting purposes only)**

**Intent**
Provides the opportunity for additional context on the lending portfolio included within the submission.

**Requirements**
Specify and clarify parts of the lending activities/portfolio that are included or excluded from this submission.

**Note:** This section is for reporting purposes only and will be visible in the Benchmark Report. The information has no impact on scoring.

**RC6 Please describe any sustainability-based achievements over the prior 12-month period related to originating and/or managing the loan portfolio (reporting purposes only)**

**Intent**
Provides the opportunity to identify sustainability-related achievements related to the real estate lending practice within the past 12 months.

**Requirements**
Be sure to clarify achievement(s) with specific metrics, property sector applicability, and/or appropriate context including programmatic actions that include targets.

**Note:** This section is for reporting purposes only and will be visible in the Benchmark Report. The information has no impact on scoring.
Management

Intent and Overview

This Aspect focuses on how the organization addresses sustainability and its implementation in the context of its real estate lending approach. The purpose of this section is to (1) determine sustainability objectives and how they are embedded into the entity; (2) communicate participant's management of sustainability issues and (3) identify who is responsible for managing sustainability issues and decision-making on sustainability matters.

Sustainability Objectives

MA1.1 Does the entity/business unit have sustainability objectives related to real estate lending?

- Yes
  - ESG issues are broadly addressed within stakeholder communications
    - Main sustainability themes include: ____________
  - The entity has clearly defined sustainability objectives and/or targets
    - First objective/target: ____________
    - Second objective/target: ____________
    - Third objective/target: ____________
  - Sustainability objectives/targets are tied to key performance indicators [KPIs]
    - First KPI: ____________
    - Second KPI: ____________
    - Third KPI: ____________

- No

2.5 points, MP, G

Intent

Describe formal sustainability objectives including any metrics. Participants should select applicable commitment level and explain related sustainability components. Participants must upload supporting evidence of these objectives.

Terminology

ESG issues: Topics related to the management of environmental, social, or governance themes.

ESG KPIs: Performance indicators related to strategic priorities and connected to ESG issues. Can include both qualitative and quantitative indicators/targets.
ESG themes: Topics related to the management of environmental, social, or governance issues.

Sustainability objectives: Strategic priorities and key topics to improve the management of ESG issues.

**Requirements**

Select Yes or No. If Yes, please select the applicable radio button and provide necessary context.

**Pre-fill:** This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

**Radio buttons:** Only one answer is possible. Please select the most applicable.

**Note:** Text boxes under each radio button are mandatory. Organisation level objectives are applicable only if they are related to the real estate lending unit.

Participants must report at least two objectives/targets/KPIs if radio button is selected.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**

Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

**Hyperlink:** If providing a hyperlink, please ensure the relevant page is accessible within two steps.

**Document upload:** Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Evidence may include but are not limited to:

- high-level document that outlines presence of sustainability-related topics in the business strategy and/or communication,
- formal sustainability-related commitments made by the entity and/or related organization in terms of commercial real estate lending, any document that includes defined objectives,
- document outlining mid-long term objectives of the entity and/or related organization that include robust and measurable indicators/targets.

**Scoring**

Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.

Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.
MA1.2 Does the entity/business unit take specific steps to achieve the sustainability objectives reported in MA1.1?

☐ Yes

Select all applicable actions:

☐ Engage borrower regarding underperforming assets
☐ Formulate borrower’s sustainability profile
☐ Provide dedicated financing for sustainability-based property improvements
☐ Enforce external ESG standards
☐ Derive an impact analysis of new construction/major renovation
☐ Analyse long-term sustainability risks of the lending portfolio
☐ Monitor and review asset-level consumption data
☐ Develop standalone sustainable lending policy
☐ Track asset-level sustainability KPIs
☐ Use energy / water / waste metrics as a loan sub-condition
☐ Other: ____________

Describe connection to the objectives and metrics used to track implementation (maximum 200 words)

__________

☐ No

2.5 points, IL, G

Intent
Indicate actions that participant takes to achieve sustainability commitments mentioned in MA1.1. Participants must select actions that were in-place during the reporting period. Additional context on implementation and tracking actions must be included.

Terminology

Asset-level consumption data: information regarding energy/water/waste use intensities and overall efficiency of an asset.

External ESG standard: Refers to third party guidance/standards that focuses on ESG integration/management.

Financing for property improvements: Refers to dedicated financing for borrower activities to alter/improve existing buildings. May include major renovation and retrofit.

Impact analysis of new construction/major renovation: Process of identifying the potential consequence of new development and/or alterations to existing asset that affects more than 50 percent of the building floor area.

Standalone sustainable lending policy: Policy or guidance document that outlines real estate lending criteria and includes sustainability-related metrics/factors.

Sustainability commitment: Long and/or short term aims connected to specific metrics/impacts made by the lender.

Sustainability profile: A report/scorecard that includes information about economic, environmental and governance performance and commitments of the borrower.
Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

No pre-fill: This indicator is new and cannot be pre-filled with a prior year response.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe the connection between objectives and selected actions.
2. Describe the on-going monitoring process to track implementation.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State action that participant takes to achieve sustainability commitments. These actions must be related to commercial real estate lending.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
MA2 Does the entity/business unit have one or more persons responsible for implementing the sustainability objectives referenced in MA1.1?

☐ Yes
  - Employee(s) with responsibility for implementation and results
    Provide the details for the most senior of these employees
    Name: ____________
    Job title: ____________
    E-mail: ____________
  - Employee(s) responsible for ongoing monitoring and/or KPI reporting
    Provide the details for the most senior of these employees
    Name: ____________
    Job title: ____________
    E-mail: ____________
  - Employee(s) for whom sustainability is among their responsibilities
    Provide the details for the most senior of these employees
    Name: ____________
    Job title: ____________
    E-mail: ____________
  - Other: ____________
    Provide the details for the most senior of these employees
    Name: ____________
    Job title: ____________
    E-mail: ____________

☐ No

1.5 points, MP, G

Intent
Identify internal resources dedicated to implementing overall sustainability objectives and actions in lending. Participants should select applicable internal responsibility level(s) and provide necessary contact information.

Terminology
Employee(s) with responsibility for sustainability in lending: Employee with responsibility for implementing sustainability objectives and activities in commercial real estate lending.

Employee(s) responsible for ongoing monitoring and KPI reporting: The sustainability related data monitoring and/or reporting is part of their role, but is not necessarily employee’s main responsibility.

Employee(s) for whom sustainability is among their responsibilities: The implementation and monitoring of sustainability is part of the employee’s role, but is not necessarily their main responsibility.
Requirements
Select Yes or No. If Yes, please select all applicable checkboxes.

Pre-fill: This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Note: Participants must provide a name and job title of the relevant employee for data validation purposes. Email address is optional and it will remain confidential.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State the responsibility focus/level attributed to specific employee. Responsibility must be related to sustainability.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

It is not necessary to select all options to obtain maximum points for this indicator.
Sustainability Decision Making

MA3.1 Does the entity/business unit have a senior decision maker accountable for ESG issues?

Yes
Provide the details for the most senior decision maker
Name: ____________
Job title: ____________
E-mail: ____________
The individual is part of (select most applicable):
○ Board of Directors
○ Senior Management Team
○ Investment Committee
○ Loan Portfolio Management
○ Loan Servicing Team
○ Loan Underwriting Team
○ Other: ____________

No

1.5 points, MP, G

Intent
Identify the professional accountable for the implementation of sustainability strategy. Please provide necessary details for the most senior decision maker [for validation purposes].

Terminology
Accountable for: A person with sign off and/or approval authority over the deliverable task, project or strategy.

Board of Directors: A body of elected or appointed members who jointly oversee the activities of a company or organization as detailed in the corporate charter. Boards normally comprise both executive and non-executive directors.

ESG issues: Topics related to the management of environmental, social, or governance themes.

Investment Committee: An internal governing body that evaluates lending proposals and also oversees entity's investment policies and strategies.

Loan Portfolio Management: An individual or group of individuals responsible for ongoing portfolio management, preparation of loan reviews and updating the portfolio risk analysis.

Loan Servicing Team: A team of individuals responsible for post-closing loan administration. They may collect, apply and distribute payments, and facilitate borrower reporting.

Loan Underwriting Team: A team of individuals responsible for performing initial risk analysis and determining loan eligibility based on the organization or entity's established lending policy and parameters.

Senior decision maker: The entity's most senior decision-maker on sustainability who is involved in defining sustainability objectives and approving strategic decisions regarding sustainability initiatives.
Senior Management Team: A team of individuals with day-to-day responsibility for managing the entity/organization.

Requirements
Select Yes or No. If Yes, please select the applicable radio button.

No pre-fill: This indicator is similar to one included in the prior Assessment but has not been pre-filled.

Radio buttons: Only one answer is possible. Please select the most applicable.

Note: Participants must provide a name and job title of the relevant employee for data validation purposes. E-mail address is optional and it will remain confidential.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. The answer should refer to the department or governance group of which employee is part of, and not the job title of the decision maker.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.
For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.
For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.

MA3.2  Does the investment committee review ESG-related information during loan approval process?  Q4.2

Yes
Select all items reviewed
☐ Stand-alone sustainability scorecard/analysis
☐ Congruence with sustainable lending policy
☐ Asset improvement plan
☐ Inclusion of sustainability-related covenants
☐ Other: ____________
☐ Other: ____________
Please elaborate as to the sustainability-related themes reviewed, and action(s) the investment committee takes to mitigate sustainability risks [maximum 200 words]

__________

☐ No

2.5 points, IL, G
Intent
Identify key sustainability-related elements that are reviewed by the investment committee during loan approval process. Additional context on the review process and any mitigating actions must be included.

Terminology
**Asset improvement plan:** Plan that focuses on specific actions that would be performed with the asset and targeted changes/impacts of this actions. Could also include monitoring and additional review process.

**Borrower scorecard:** Document that outlines key sustainability attributes and risks of a borrower/sponsor.

**Loan scorecard:** Document that outlines key sustainability attributes and risks related to the specific loan.

**Standalone sustainable lending policy:** Policy or guidance document that outlines real estate lending criteria and includes sustainability-related metrics/factors.

**Sustainability-related covenants:** Condition included in loan terms that requiring the borrower to fulfill certain sustainability-related conditions or implement certain sustainable actions.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Open text box:** Description provided should fully support each checkbox selected, along with the following elements:

1. Provide a description of sustainability-related themes that are reviewed during the approval process.
2. Describe scope of risk mitigation actions.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State a sustainability-related document or topic reviewed by the investment committee.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.
For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.
For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.
It is not necessary to select all options to obtain maximum points for this indicator.
Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Are ESG factors incorporated into annual employee performance reviews?

- Yes
  ESG performance factors are applicable to (multiple answers possible):
  - Credit Committee
  - Fund/Portfolio Managers
  - Loan Servicing Team
  - Loan Underwriting Team
  - Risk Management Committee
  - Senior Management Team
  - Other: ____________

Does performance outcomes on ESG factors have consequences?

- Yes
  - Financial compensation
  - Non-financial factors

- No

1.5 points, MP, G

**Intent**
Elaborate to what extent ESG performance indicators are specifically addressed in employee performance targets. Participants should select applicable employee group(s) and if ESG performance has positive / negative consequences.

**Terminology**
- **Credit Committee**: The committee that assesses the credit risk of making a loan to a borrower.
- **Fund/Portfolio Manager**: An individual who manages a portfolio of investments by creating and overseeing the implementation of real estate credit strategies across the entire entity portfolio.
- **Financial Compensation**: Predetermined monetary benefits incorporated into the employee compensation structures. The financial benefits are contingent upon the achievement of the annual performance targets.
- **Loan Servicing Team**: A team of individuals responsible for post-closing loan administration. They may collect, apply and distribute payments, and facilitate borrower reporting.
- **Loan Underwriting Team**: A team of individuals responsible for performing initial risk analysis and determining loan eligibility based on the organization or entity's established lending policy and parameters.
- **Non-financial factors**: Non-financial benefits (or detriments), such as verbal or written recognition, non-financial rewards or opportunities. The non-financial benefits are contingent upon the achievement of the annual performance targets.
- **Risk Management Committee**: A group of individuals that assess internal and/or external risks that could impact debt repayment, collateral quality or loan security.
- **Senior Management Team**: A team of individuals with day-to-day responsibility for managing the entity/organization.
Requirements
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

Pre-fill: This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State the group of employees for which ESG performance factors are applicable.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Intent and Overview

This Aspect focuses on established internal guidance that defines and communicates sustainability-related factors. The purpose of this section is to (1) describe applicable sustainability policies; (2) evaluate how these policies are used by the participant and reflected in its real estate financing portfolio, and (3) understand how the entity communicates the sustainability performance of the lending activities.

Sustainability Policies

PD1.1 Is there a guidance document that describes how sustainability is incorporated into commercial real estate lending?

- Yes
  - Select applicable level
    - Generalized document that outlines overall approach
    - Guidance that includes specific sustainability aspects/criteria
    - Stand-alone policy describing sustainability approach to lending
  - Policy is applicable during:
    - Initial loan screening
    - Collateral assessment
    - Loan approval process
    - Post-close loan monitoring
    - Other: ____________
  - Upload the policy/guidance:
    - UPLOAD OR URL____________
  - Indicate where in the evidence the relevant information can be found____

- No

2.5 points, MP, G

Intent

Guidance document(s) used for commercial real estate lending that include sustainability aspects. Participants must upload document evidence, and select applicable use case(s).

Terminology

**Collateral assessment:** Process that evaluates property pledged by a borrower to secure a loan.

**Loan approval:** Formal authorization from lender that allows borrower to receive a loan.

**Loan monitoring:** Systematic approach on gathering of loan specific KPIs throughout the loan term.
Loan screening: Internal process focused on gathering and analysing available data related to the loan. It also includes uncovering and acknowledging risks associated with a specific lending decision.

Requirements
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

No pre-fill: This indicator is similar to one included in the prior Assessment but has not been pre-filled.

Radio buttons: Only one answer is possible. Please select the most applicable.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State a loan origination and/or follow-up step when this guidance document is used/applied.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.
For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.
For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

Hyperlink: If providing a hyperlink, please ensure the relevant page is accessible within two steps.

Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.
Evidence may include but are not limited to:

- formal policy that outlines key lending procedures, processes and uses of sustainability-related metrics/thresholds.
- any other guidance document applicable to the entity / business unit that outlines sustainability-related metrics/thresholds applicable in the lending decision-making process.

Scoring
Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.
Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.
It is not necessary to select all options to obtain maximum points for this indicator.
Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Does the document referenced in PD1.1 include specific sustainability-related requirements?

Yes

Select included metrics/aspects:

- Asset-specific metrics
  - Green Building Certification
  - Energy Rating
  - Historical performance
    - Energy consumption
    - Water consumption
    - Waste diversion
  - Other: ____________

- Project scope
  - New construction
  - Major renovation/deep retrofit
  - Refurbishment
  - Other: ____________

- Property types applicable
  - Office
  - Retail
  - Residential
  - Industrial
  - Other: ____________

- Regional/location considerations
  - Other: ____________

Provide context on the practical use of this guidance, its implementation, and its connection to sustainability objectives in real estate lending (maximum 200 words)

__________

No

3 points, MP, G

**Intent**
Participants should select all sustainability-related requirements that are present in the commercial real estate lending policy/guidance document [see PD1.1]. Please elaborate on implementation actions.

**Terminology**

- **Energy consumption**: Fuel consumption from renewable and non-renewable energy sources.

- **Energy Rating**: A scheme that measures the energy efficiency performance of buildings.

- **Green Building Certificate**: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of...
recognition.

**Industrial:** Includes distribution warehouses, flex, manufacturing and self-storage.

**Major Renovations:** Alterations that affect more than 50 percent of the total building floor area or cause relocation of more than 50 percent of regular building occupants. Major renovation projects refer to buildings that were under construction at any time during the reporting period.

**New construction:** Includes all borrower activities to obtain or change building or land use permissions and financing.

**Office:** Includes free-standing office, office terrace, unattributed office buildings, office parks, and medical offices.

**Refurbishment:** Renovation or redecoration works undertaken by a landlord or tenant.

**Residential:** Refers to buildings with at least five residential units including apartments and student housing.

**Waste diversion:** Actions that focus on diverting wastes from landfills. This may include actions to decrease waste reduction at the source and recycling and reusing materials that are non-biodegradable.

**Water consumption:** The amount of water used per unit of an appropriate denominator, including but not limited to: floor area, and persons.

**Requirements**
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Open text box:** Description provided should fully support each checkbox selected, along with the following elements:

1. Describe practical application/use of the guidance document;
2. Elaborate on how guidance components are related to sustainability objectives in real estate lending.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains four options to provide an answer:

1. After selecting Yes, state a sustainability-related metric included in the guidance document.
2. Under 'Project Scope' participants should specify real estate scope of the loan.
3. Under 'Historical performance' participants should specify other asset performance metric.
4. Under 'Property type' participants should specify other property type.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total
amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.

**PD2** Does the entity/business document its sustainability-related data collection process for post-close loan monitoring?  

○ Yes  
Select appropriate level  
○ Generalized document describing loan monitoring process, elements and approach  
○ Specific guidance that includes sustainability aspects and criteria  
○ Granular policy informing data collection process including KPIs, frequency, and metrics  

Borrowers are required to report:  
■ Financial data  
■ Asset-level data  
  ■ Energy Ratings  
  ■ Green Building Certifications  
  ■ Financial performance  
  ■ Other: ____________  
  ■ Other: ____________  
■ Third party reports  
■ Other: ____________  

Upload OR URL____________  

Indicate where in the evidence the relevant information can be found____  

○ No  

1.5 points, IL, G

**Intent**  
Describe the approach to data collection and post-close sustainability-metric monitoring process including the level of systematic record tracking. Participants should select proper guidance level and specific monitoring metric components.

**Terminology**  
**Energy Rating:** A scheme that measures the energy efficiency performance of buildings.  
**Green Building Certificate:** Recognition that a project has received a green building rating. A certificate
indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

**Financial asset performance:** Relates to metrics related to cash flows and out-flows connected to the asset use.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

**No pre-fill:** This indicator is new and cannot be pre-filled with a prior year response.

**Radio buttons:** Only one answer is possible. Please select the most applicable.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains two answer options:

1. After selecting Yes, state metrics that borrowers are required to systematically report.
2. Under 'Asset-level' data, please identify the asset-specific metric required.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

**Hyperlink:** If providing a hyperlink, please ensure the relevant page is accessible within two steps.

**Document upload:** Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document. Evidence may include but are not limited to:

- policy document applicable to the entity / business unit that outlines the data gathering process,
- guidance document that describes how sustainability metrics are integrated into the loan monitoring process,
- a list of specific data points tracked to include update frequency.

**Scoring**
Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.

Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Does the entity/business unit participate in external forums or industry collaborations designed to evolve lending sustainability practices?

- **Yes**
  
  Select applicable engagement scope
  
  - Ad-hoc approach to stakeholder engagement
    
    Please describe: ____________
  
  - Engagement rules are part of high-level policy/guidance document
  
  - Stand-alone policy on engagement/collaboration process in real estate lending

  Applicable organisations:
  
  - [ ] Academia/Universities
  - [ ] Government/Regulators
  - [ ] Industry Associations
  - [ ] Investors/Shareholders
  - [ ] NGOs
  - [ ] Other: ____________

  [UPLOAD OR URL ____________]

  Indicate where in the evidence the relevant information can be found.

- **No**

**1.5 points, MP, S**

**Intent**

Detail any stakeholder engagement and/or collaboration process along with a list of stakeholders involved in this program. Participants should select stakeholder groups and provide evidence that underlines engagement process.

**Terminology**

**Government/local authorities:** The state and/or local authoritative and administrative governing body.

**Industry Association:** A group of lenders or similar entities that are focused on [commercial] real estate lending.

**Investors/shareholders:** The entity’s current investors and/or equity stake owners in the entity.

**Stakeholder engagement:** Engagement with individuals/entities that have an interest in the entity.

**Requirements**

Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

**Pre-fill:** This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

**Radio buttons:** Only one answer is possible. Please select the most applicable.

**Note:** If participant selects 'Ad-hoc approach' it must explain key components and aims of engagement process.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.
Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State the stakeholder group that is part of the engagement/collaboration program.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence

Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

Hyperlink: If providing a hyperlink, please ensure the relevant page is accessible within two steps.

Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Evidence may include but are not limited to:

- overarching organisational policy on stakeholder engagement,
- stand-alone policy document focused on engagement/collaboration in real estate lending.

Scoring

Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.

Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Sustainability Disclosure

PD4.1 Does the entity disclose its ESG actions and/or performance? Q6.1

- Yes

Disclosure locations (multiple answers possible)

- Annual Report
  Select the applicable reporting level
  - Dedicated section describing lending actions and/or resultant KPIs
  - Aggregated lending information is presented along with other business units
  - Upload OR URL
  Indicate where in the evidence the relevant information can be found
  Aligned with Guideline name

- Sustainability Report
  Select the applicable reporting level
  - Dedicated section describing lending actions and/or resultant KPIs
  - Aggregated lending information is presented along with other business units
  - Upload OR URL
  Indicate where in the evidence the relevant information can be found
  Aligned with Guideline name

- Integrated Report
  *Integrated Report must be aligned with the IIRC framework
  Select the applicable reporting level
  - Dedicated section describing lending actions and/or resultant KPIs
  - Aggregated lending information is presented along with other business units
  - Upload OR URL
  Indicate where in the evidence the relevant information can be found
  Aligned with Guideline name

- Corporate website
  Select the applicable reporting level
  - Dedicated section describing lending actions and/or resultant KPIs
  - Aggregated lending information is presented along with other business units
  - Upload OR URL
  Indicate where in the evidence the relevant information can be found

- Investor Report
  Select the applicable reporting level
  - Dedicated section describing lending actions and/or resultant KPIs
  - Aggregated lending information is presented along with other business units
  - Upload OR URL
### Intent

Identify one or more disclosure methods used to describe the lending unit’s sustainability-related actions and/or performance. Participants should select applicable disclosure frameworks, locations and reporting scope, then provide supporting evidence.

### Terminology

**Aggregated information:** Compilation of sustainability-related information from various sources/parts of the organization.

**Alignment:** To agree and match with a recognized standard (either voluntary or mandatory).

**Annual report:** A yearly record of an organization’s financial performance that is distributed to investors under applicable financial reporting regulations.

**Dedicated section:** A section of the organization’s report and/or website that explicitly addresses sustainability performance of the lending activities.

**Disclosure:** The act of making information or data readily accessible and available to all interested individuals and institutions. Disclosure must be external and cannot be an internal and/or ad hoc communication within the participant organization.

**ESG actions:** Specific activities performed to improve management of environmental, social and governance issues within the organization.

**ESG performance:** Reporting of material indicators that reflect implementation of environmental, social, or governance (ESG) management.

**Integrated Report:** A report that is aligned with the requirements of the International Integrated Reporting Council (IIRC) Integrated Reporting Framework (December 2013).

**Investor Report:** A sustainability performance report prepared to inform investors on the entity’s results and progress. A summary outlining an entity’s overall approach that lacks performance analysis is insufficient.

**Sustainability Report:** A report dedicated to the organization’s sustainability performance.

### Requirements

Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

**No pre-fill:** This indicator is similar to one included in the prior Assessment but has not been pre-filled.
Radio buttons: Only one answer is possible. Please select the most applicable.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Note: For each applicable disclosure type, please select the appropriate reporting level:

- 'Dedicated section' refers to reports containing specific content, metrics, and/or KPIs stemming from the organisation's commercial real estate lending practices.
- 'Aggregated information' refers to reports that contain no lending-specific discussion or metrics.
- If applicable, select the from the dropdown list to confirm alignment with an external standard or guideline. Alignment is for reporting purposes only.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State the disclosure type that includes sustainability-related metrics associated with real estate lending.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Stand-alone sustainability report can also refer to the year prior to the reporting year, and integrated report can also refer to two years prior to the reporting period identified in EC5.

Reporting level: Organization level responses are applicable for this indicator.

Evidence
Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

Hyperlink: If providing a hyperlink, please ensure the relevant page is accessible within two steps.

Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Scoring
Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.

Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
**PD4.2 Does the organization have an independent third party review its sustainability disclosure?**

Yes

Select all applicable options (multiple answers possible, selections must match answers in PD4.1)

- **Annual Report**
  - Externally checked by Service provider
  - Externally verified by Service provider using Scheme name
  - Externally assured by Service provider using Scheme name

- **Sustainability Report**
  - Externally checked by Service provider
  - Externally verified by Service provider using Scheme name
  - Externally assured by Service provider using Scheme name

- **Integrated Report**
  - Externally checked by Service provider
  - Externally verified by Service provider using Scheme name
  - Externally assured by Service provider using Scheme name

- **Investor Report**
  - Externally checked by Service provider
  - Externally verified by Service provider using Scheme name
  - Externally assured by Service provider using Scheme name

- **Other:** ____________
  - Externally checked by Service provider
  - Externally verified by Service provider using Scheme name
  - Externally assured by Service provider using Scheme name

No

1.5 points, MP, G

**Intent**

Identify the use of third-party checks, reviews and/or assurance that inform the sustainability disclosure process and resultant report. Participants should provide matching responses to PD4.1, then choose the applicable review level.

**Terminology**

**Assured:** The process of checking data, as well as its collection methods and management systems, through
a systematic, independent and documented process against predefined criteria or standards. Assurance can only be provided by accredited auditors.

**Checked:** A third-party review that does not comply with the definition of either Assurance or Verification.

**Verified:** The process of checking data, as well as its collection methods and management systems, through a systematic, independent and documented process against predefined criteria or standards. Verification can be performed by a wide range of accredited professionals.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

**No pre-fill:** This indicator is similar to one included in the prior Assessment but has not been pre-filled.

**Note:** Respond for all reporting methods selected in PD4.1. In all cases:

- State whether the reporting methods are checked, verified or assured (select only one option corresponding to the greatest detail level);
- Select the applicable assurance/verification scheme from the dropdown list;
- State the name of the checking/verifying/assuring organization.

**Radio buttons:** Only one answer is possible. Please select the most applicable.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Other:** Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State the disclosure type that includes sustainability-related metrics associated with real estate lending.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Organization level responses are applicable for this indicator.

**Evidence**
The document upload provided in PD4.1 is used to validate this indicator. The upload should include confirmation of the third-party check (existence and type).

PD4.2 is linked to PD4.1. Selections of disclosure methods in both indicators must match, otherwise the answer in PD4.2 will be deemed invalid.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Due Diligence

Intent and Overview

This Aspect focuses on actions taken during the loan due diligence process to assess the sustainability performance of the collateral, and the borrower. The purpose of this section is to (1) describe sustainability-related factors included in the standard due diligence process; (2) understand borrower assessment requirements and process; (3) understand the use of a sustainability scorecard [or similar] during investment committee review.

Property & Borrower Review

2017 Indicator

As part of standard due diligence, does the lender evaluate third party provided reports?

- Yes
  - Select reports included in standard due diligence (all loans)
    - Borrower submitted sustainability asset plan
    - Energy consumption audit
    - Environmental assessment (Phase I, ESA)
    - Green building certification documentation/report
    - Monitoring Surveyors report
    - Property condition assessment (PCA)
    - Resilience assessment
    - Sustainability attributes within the appraisal valuation report
    - Waste generation/diversion audit
    - Water consumption audit
    - Other: ____________

Upload checklist:

- No

Indicate where in the evidence the relevant information can be found____

3 points, MP, G

Intent

Identify sustainability-related information included within the lender’s standard due diligence process. Please indicate which sustainability-related third-party reports are evaluated during due diligence.
**Terminology**

**Sustainability asset plan:** A borrower’s long-term plan detailing how sustainability measures will be embedded into the property’s lifecycle.

**Energy audit:** A process for assessing existing energy consumption patterns and evaluating measures needed to increase energy efficiency.

**Environmental assessment (Phase I, ESA):** A report prepared by a qualified environmental engineer that identifies areas of environmental concern.

**Green Building Certificate:** Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

**Monitoring Surveyor report:** Valuation of construction activity to facilitate the drawdown of funds which is issued within a written interim report.

**Appraisal or valuation report:** Report provided by a third-party valuation expert for the subject property (or properties).

**Property condition assessment (PCA):** A report prepared by an engineering firm identifying property items requiring immediate repair, and additional items requiring attention over the loan term.

**Resilience assessment:** Assessing an asset’s ability to continue to function, or return to function, after disruption from catastrophic events or long-term change.

**Waste audit:** Report outlining issues associated with waste generation, reuse, recycling, composting, recovery, incineration, landfill and storage.

**Water audit:** Report outlining water consumption, management and conservation issues.

**Requirements**

Select Yes or No. If Yes, please select all applicable checkboxes.

**Pre-fill:** This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State the information from a third-party report used in the due diligence process.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**

Supporting evidence is optional. You may provide a hyperlink OR document upload for additional context.

**Document upload:** Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Evidence may include but are not limited to:

- standard due diligence or closing checklist that clearly incorporates the selected options,
- other evidence may include formalized internal documentation identifying protocol for reviewing property sustainability risks.
Scoring
Because evidence is optional, evidence provided via hyperlink and/or document upload will not be used for scoring.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

DD2 Does the lender review asset-specific sustainability risks and opportunities as part of standard review process? Q12

☐ Yes

Select actions and/or risk factors that are considered during regular review

☐ Climate change risks
☐ Energy rating
☐ GHG emissions profile
☐ Habitat biodiversity impact(s)
☐ Health and well-being attributes
☐ Natural hazards
☐ On-site renewable energy installed/generated
☐ Regulatory risk exposure
☐ Socio-economic/demographic factors
☐ Transportation linkages
☐ Other: ____________

Identify sources used in the review process and describe specific KPI metrics utilized (maximum 200 words)

____________

☐ No

3.5 points, MP, E

Intent
Identify asset-specific sustainability risks and opportunities incorporated during due diligence. Participants should mark which risk factors are reviewed, then elaborate as to how this information is integrated into loan decision-making.

Terminology
**Biodiversity and habitat:** Issues related to wildlife, endangered species, ecosystem services, habitat management, and relevant topics. Biodiversity refers to the variety of all plant and animal species. Habitat refers to the natural environment in which these plant and animal species live and function.
Climate change adaptation: Preparation for long-term change in climatic conditions or climate related events.

Energy Rating: A scheme that measures the energy efficiency performance of buildings.

GHG emissions: GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO2); methane (CH4); nitrous oxide (N2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF3) and sulphur hexafluoride (SF6).

Health and well-being attributes: Health and well-being can refer to a broad range of activities that address the determinants of health or the conditions that lead to health outcomes. Health, safety and well-being attributes are associated with employees, customers, surrounding communities or all of the above.

Natural hazards: Naturally occurring hazards, including but not limited to flooding, drought, hail storms, earthquakes and fire (including wildfire).

On-site renewable energy: Any source of energy produced at the site that can be used without depleting reserves, including energy from the sun, wind, water and the earth’s core. Technologies should be available onsite, such as photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Regulatory risks: Examples include, but are not limited to: mandatory energy/carbon disclosure schemes, changes in taxes e.g. carbon tax, extreme volatility in energy prices due to regulation, zoning.

Socio-economic risks: Impact on social well-being, livelihoods and prosperity of local communities and individuals. Examples include: economic/political instability, vulnerability to pandemics and epidemics, crime and vandalism, and the displacement of people.

Transportation risks: Risks associated with transportation around the location of a building in relation to pedestrian, bicycle and mass-transit networks, in context of the existing infrastructure and amenities in the surrounding area.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

No pre-fill: This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe sources used to review/analyse risks and/or opportunities during loan underwriting;
2. Elaborate as to the granular KPIs/metrics checked during this process.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. Please describe the sustainability-related risk and/or opportunity.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.
Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.
Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

DD3 Does the lender perform a comprehensive borrower/sponsor assessment during the underwriting process?

☐ Yes
Select issues that are reviewed
☐ Borrower-specific risks
☐ Borrower or sponsor misconduct
☐ Environmental fines and penalties
☐ Industry-specific risks
☐ Regional risks
☐ Other: ____________
☐ Sustainability-related actions
☐ Sustainability-related objectives/targets
☐ Community engagement/social programs
☐ Public ESG commitments
☐ ESG performance/data disclosure
☐ Other: ____________
☐ ESG track record
☐ Overall sustainability score
☐ Use of Building Certifications
☐ Asset-related ESG metrics: (select all applicable)
☐ Energy reduction metrics
☐ Water reduction metrics
☐ Waste/recycling metrics
☐ Renewable energy installed/generated
☐ GHG metrics
☐ Other: ____________
☐ No

3 points, MP, S

Intent
The focus is on the lender process to better understand borrower risk profile by using sustainability
attributes, actions and performance. Participants should indicate which sustainability metrics are used to assess the borrower/sponsor.

**Terminology**

**Community engagement**: Community engagement refers to the communication, interaction, and formation of relationships between the entity and those groups.

**Misconduct**: Unethical behavior, and more specifically, poor stewardship of environmental, social or governance issues, which may or may not result in legal action.

**Environmental fines and/or penalties**: Sanctions resulting from an illegal act, which directly harms the environment.

**Sustainability commitment**: Long and/or short term aims connected to specific metrics/impacts made by the lender.

**Sustainability objectives**: Strategic priorities and key topics to improve the management of ESG issues.

**Sponsor**: The entity that provides equity to a Borrower in a real estate finance transaction.

**Sustainability performance**: Indicators of environmental, social, or governance (ESG) management, implementation, or performance.

**Sustainability track record**: Data that reflects the sustainability performance of a borrower or sponsor.

**Requirements**

Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill**: This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes**: You are allowed to select multiple checkboxes. Please select applicable options.

**Other**: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains three answer options:

1. After selecting Yes, state borrower-specific risk metric.
2. Under 'Borrower-specific risks' participants should indicate the risk group reviewed.
3. Under 'Sustainability-related actions' participants should specify a metric related to borrower's ESG commitments/objectives.

**Reporting period**: Answer must refer to the reporting period as identified in EC5.

**Reporting level**: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**

No additional evidence is required for this indicator.

**Scoring**

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Does the lender include a sustainability scorecard/overview in the investment committee document package?

- Yes
  - Borrower or sponsor scorecard/overview
    - Select when it is constructed:
      - All loans
      - Loans above a value threshold
        - Define threshold: ____________
      - Borrowers with negative/minimal ESG track record
      - Other: ____________
    - Loan specific scorecard/overview
      - Select when it is constructed:
        - All loans
        - Loans above a value threshold
          - Define threshold: ____________
        - Loans for specific property types only
        - Loans with climate change risk
        - Construction/redevelopment loans with no sustainability plan
        - Loans with deficiencies identified in third party reports
        - Other: ____________
      - Describe main scorecard elements and weights assigned to each component (maximum 200 words)
        ____________

- No

4 points, IL, S

Intent
Focus is on the lender's actions to systematically integrate sustainability-related attributes into the due diligence process. Participants should indicate main components / metrics utilized.

Terminology
- **Borrower scorecard:** Document that outlines key sustainability attributes and risks of a borrower/sponsor.
- **Loan scorecard:** Document that outlines key sustainability attributes and risks related to the specific loan.
- **Sustainability track record:** Data that reflects the sustainability performance of a borrower or sponsor.
- **Climate change risk:** Risks associated with long-term change in climatic conditions or climate related events.
- **Sustainability asset plan:** A borrower's long-term plan detailing how sustainability measures will be embedded into the property's lifecycle.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator is new and cannot be pre-filled with a prior year response.
Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Note: Participants must report minimum value threshold in cases when the checkbox is selected.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe key sustainability elements that are included in the due diligence scorecard/overview.
2. Elaborate on importance, prioritization, assigned weights, etc.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains two options to provide an answer:

1. Under 'Borrower or sponsor scorecard/overview' participants should note borrower specific trigger metric.
2. Under 'Loan specific scorecard/overview' participants should note loan specific trigger metric.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization. For real estate debt funds and MREITs this means that response should be provided at the fund / entity level. For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator. It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above. Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Monitoring

Intent and Overview
This Aspect focuses on the lender's sustainability-based KPI tracking system and portfolio monitoring process. The purpose of the section is to (1) identify system(s) that collect/organize/manage sustainability KPIs; (2) understand current portfolio tracking capabilities for energy ratings and green building certifications.

Portfolio Monitoring

ME1.1 Does the entity/business unit systematically track sustainability KPIs related to the borrower/sponsor?

- Yes
  - Select all applicable
    - ESG related misconduct (fines, penalties)
    - Climate change risk mitigation actions performed
    - ESG metrics and commitments
      - Sustainability commitments/objectives
      - ESG related disclosure
      - Achievement of sustainability targets
      - Utilization of green lease language
      - Third party sustainability score
    - Provided by [Service provider]
    - Other metrics: ____________
    - Other KPIs: ____________
  - No

2.5 points, IL, G

Intent
The focus is on lender's actions to systematically monitor sustainability KPIs related to the borrower/sponsor. Participants should select KPIs tracked for the whole loan portfolio.

Terminology
**Climate change adaptation**: Preparation for long-term change in climatic conditions or climate related events.

**Sustainability objectives**: Strategic priorities and key topics to improve the management of ESG issues.

**Environmental fines and/or penalties**: Sanctions resulting from an illegal act, which directly harms the
Environment.

**Sustainability commitment**: Long and/or short term aims connected to specific metrics/impacts made by the lender.

**Sustainability target**: Long and/or short term targets that are explicitly expressed in a quantifiable matter.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill**: This indicator is new and cannot be pre-filled with a prior year response.

**Checkboxes**: You are allowed to select multiple checkboxes. Please select applicable options.

**Other**: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains two answer options:

1. After selecting Yes, identify the KPI tracked relevant to the borrower/sponsor.
2. Under 'ESG metrics and commitments' identify the metric related to sustainability commitments/objectives.

**Reporting period**: Answer must refer to the reporting period as identified in EC5.

**Reporting level**: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
ME1.2 Does the entity/business unit systematically track sustainability KPIs related to the loan collateral?

- Yes
  Select included items
  - Asset Ratings
    - Green Building certifications
      Update frequency
      - Once - at time of origination
      - Semi-Annual
      - Annual
      - Bi-Annual or less
    - Energy ratings
      Update frequency
      - Once - at time of origination
      - Semi-Annual
      - Annual
      - Bi-Annual or less
    - Other: ____________
  - Performance Indicators
    - Water consumption
      Update frequency
      - Once - at time of origination
      - Semi-Annual
      - Annual
      - Bi-Annual or less
    - Energy consumption
      Update frequency
      - Once - at time of origination
      - Semi-Annual
      - Annual
      - Bi-Annual or less
    - GHG emissions
      Update frequency
      - Once - at time of origination
      - Semi-Annual
      - Annual
      - Bi-Annual or less
    - Other: ____________
  - Other: ____________

- No
3 points, IL, E

Intent
Identify specific KPIs / metrics used to monitor asset-specific sustainability attributes. Participants should select each KPI tracked, then describe the frequency of data updates [monthly, quarterly, annual, etc.].

Terminology
Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

Energy Rating: A scheme that measures the energy efficiency performance of buildings.

Energy consumption: Fuel consumption from renewable and non-renewable energy sources.

GHG emissions: GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO2); methane (CH4); nitrous oxide (N2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF3) and sulphur hexafluoride (SF6).

Water consumption: The amount of water used per unit of an appropriate denominator, including but not limited to: floor area, and persons.

Requirements
Select Yes or No. If Yes, please select all applicable checkboxes.

No pre-fill: This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Note: Under checkboxes participants must select data update frequency.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains three options to provide an answer:

1. After selecting Yes, state asset-specific group of metrics that is tracked.
2. Under 'Asset Ratings' participants can note a rating that is tracked.
3. Under 'Performance Indicators' participants can note an asset performance indicator that is tracked.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Does the entity/business unit maintain a systematic process to monitor the existing loan portfolio’s exposure to natural hazards?

- Yes
  Identify natural disasters
  - Flooding
    Mandatory for:
    - All loans
    - Loans in a specific geographic region / country / area
    - Loans above a size/value threshold
    - Other: ____________
  - Earthquakes
    Mandatory for:
    - All loans
    - Loans in a specific geographic region / country / area
    - Loans above a size/value threshold
    - Other: ____________
  - Wildfires
    Mandatory for:
    - All loans
    - Loans in a specific geographic region / country / area
    - Loans above a size/value threshold
    - Other: ____________
  - Drought
    Mandatory for:
    - All loans
    - Loans in a specific geographic region / country / area
    - Loans above a size/value threshold
    - Other: ____________
  - Other: ____________
  Mandatory for:
  - All loans
  - Loans in a specific geographic region / country / area
  - Loans above a size/value threshold
  - Other: ____________

What percentage of the loan portfolio is exposed to natural hazards?

__________ %

Describe information sources [third parties, maps, etc.] used, and actions taken to mitigate natural hazard risks (maximum 200 words)

__________

- No
2.5 points, IL, E

Intent
Identify sources and process(es) used to assess natural disaster risks. Participants should provide additional context on which hazards are reviewed and actions taken to mitigate risk(s).

Terminology
Natural hazards: Naturally occurring hazards, including but not limited to flooding, drought, hail storms, earthquakes and fire (including wildfire).

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.
No pre-fill: This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.
Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.
Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Portfolio coverage is calculated based on the outstanding loan balance (UPB) due at the end of the reporting period.
Open text box: Description provided should fully support each checkbox selected, along with the following elements:
1. Elaborate on information sources used to evaluate associated risks;
2. Describe overall approach to mitigate natural hazards.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains six options to provide an answer:
1. After selecting Yes, state natural disaster that is monitored.
2. Under each 'Mandatory for' participants can note for what type loans this monitoring is mandatory.

Percentage of portfolio covered: This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Portfolio coverage is calculated based on the outstanding loan balance (UPB) due at the end of the reporting period.
Reporting period: Answer must refer to the reporting period as identified in EC5.
Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.
For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.
For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.
It is not necessary to select all options to obtain maximum points for this indicator.
Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Does the lender monitor energy ratings within the loan portfolio?

☐ Yes

Select energy ratings and levels present within the entity’s portfolio:

☐ EU - Energy Performance Certificate
   Percentage of portfolio covered: ____________%
   Please report granular certification levels (must sum up to 100%):
   % received A & B level: ____________%
   % received C level: ____________%
   % received D level: ____________%
   % received E level: ____________%
   % received F&G level: ____________%

☐ Australia - NABERS Energy
   Percentage of portfolio covered: ____________%
   Please report granular certification levels (must sum up to 100%):
   % received 5-6 stars: ____________%
   % received 4-4.5 stars: ____________%
   % received 3-3.5 stars: ____________%
   % received 0-2.5 stars: ____________%

☐ North America - ENERGY STAR
   Percentage of portfolio covered (must sum up to 100%): ____________%
   Percentage 75 or higher: ____________%
   Percentage less than 75: ____________%

☐ Government efficiency benchmark: ____________
   Percentage of portfolio covered: ____________%

☐ Other: ____________
   Percentage of portfolio covered: ____________%

☐ No

4 points, IL, E

Intent
The focus is on the lender’s ability to monitor energy ratings, and specific levels, within the loan portfolio. Participants should identify energy ratings and specify rating levels by portfolio percentage.

Terminology
Energy Rating: A scheme that measures the energy efficiency performance of buildings.

ENERGY STAR: A voluntary scheme designed by the US Environmental Protection Agency (EPA) that measures the energy efficiency of buildings. ENERGY STAR ratings are mandatory in some US cities and states.

**Government energy efficiency benchmarking:** An energy benchmarking scheme that is mandated by the government (e.g. mandatory for the asset’s jurisdiction) with a publicly disclosed rating, other than the EU EPC or NABERS Energy. For example: New York City’s Local Law 84, Washington, DC’s Clean and Affordable Energy Act of 2008, or California’s Assembly Bill 1103. Disclosure may be annual or coincident with financial transactions.

**NABERS Energy:** The National Australian Built Environment Rating System (NABERS) measures the energy performance of buildings.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Percentage of portfolio covered:** This metric must reflect the proportion of the loan portfolio that fits the stated criteria. Portfolio coverage is calculated based on the outstanding loan balance (UPB) due at the end of the reporting period.

**Note:** Sum of ‘percentage of portfolio covered’ for all selected schemes must not exceed 100%.

In case you have overlapping certifications for specific asset(s), report it only once.

Participants must report granular certification level(s) per selected scheme and these numbers must add up to 100% within each checkbox.

**Other:** Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. Identify the applicable regional energy certification scheme.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.

Scoring is based on total portfolio coverage, and the total amounts from specific rating types.
Does the lender monitor green building certificates within its loan portfolio?

Yes

A list of provisionally validated certification schemes is provided in the Appendix of the Reference Guide. If you wish to add a new scheme, please contact info@gresb.com, and you will be asked to complete the validation questions for the scheme (see Reference Guide Appendix).

No

Intent
Identify the types, amounts and percentages of loan collateral with a green building certification. Participants should report the percentage of the portfolio with one or more green building certifications and achievement level.

Terminology

**Green Building Certificate:** Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

**Scheme name:** The name of the Green Building Certification scheme.

**Sub-scheme name:** A Green Building Certificate’s sub-category to a Scheme name used to certify a particular property type and/or to specify the type of building certificate (whether a Green Building Certificate is an Operational Green Building Certificate or a New Construction Green Building Certificate).

**Level of certification:** The level achieved with successful completion of the rating scheme.

Requirements
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Note:** All participants must report used Green Building Certification schemes, certification levels and Portfolio Coverage.

If you wish to add a new scheme, please contact info@gresb.com, and you will be asked to complete the validation questions for the scheme (see Reference Guide Appendix).

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.
Evidence
No additional evidence is required for this indicator.

Scoring
Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
It is not necessary to select all options to obtain maximum points for this indicator.
Scoring is based on total portfolio coverage, and the total amounts from specific rating types.
Risks & Opportunities

Intent and Overview
This Aspect focuses on actions that entity takes to facilitate market transformation. The purpose of this section is to (1) understand lender practice with appraisal assignments; (2) identify loan program(s) that drive improved environmental impacts; (3) assess lender use of materiality analysis in risk management.

Market Transformation

R01.1 Does the lender instruct valuation professionals to include sustainability related metrics in the valuation assignment?

☐ Yes
Define framework
- RICS Red Book – Global Standards 2017 with Mandatory application of VPGA8 Para 2.6 (c).
- Sustainability and commercial property valuation - RICS GN, 2nd edition
- Whole life carbon assessment for the built environment - RICS PS, 1st edition
- Sustainability: improving performance in existing buildings - RICS GN, 1st edition
- IPD/RICS Sustainability Inspection checklist
- Lender defined/updated inspection checklist
  Please select components
  - Equipment operating efficiencies - energy/water
  - Advanced building controls
  - Renewable energy installed/generated
  - Peak load energy demand reduction
  - On-site energy storage
  - Indoor environmental quality
  - Multi-modal transit access
  - Other: ____________
- Other: ____________
Elaborate as to the degree of integration into the valuation assignment and how sustainability attributes are considered (maximum 200 words)

☐ No
3 points, IL, G

Intent
The focus is on additional attributes included in the Appraisal Scope of Work. Participants should select specific attributes included and provide additional context.

Terminology
Advanced building controls: Management and control systems designed to optimize whole building energy performance.

Equipment operating efficiencies: An analysis of on-site HVAC equipment performance and control system protocols with the objective of achieving greater economic outcomes.

Indoor environmental quality: Refers to interior building conditions including air quality, access to daylight and views, pleasant acoustic conditions, and occupant control over lighting and thermal comfort. It may also include the functional aspects of space layout.

Multi-modal transit access: Location of a building in relation to pedestrian, bicycle and mass transit networks, existing infrastructure and surrounding area amenities.

Onsite energy generation: Source energy produced at the building site that can be used without depleting reserves including energy from the sun, wind, water and the earth’s core. Onsite technologies include photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

Onsite energy storage: The identification of energy storage technology at the building including storage capacity and actual performance metrics.

Peak load energy demand: The energy demand profile of a building during the time of peak demand on the energy grid during a billing cycle.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

No pre-fill: This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Elaborate in which cases lender instructs valuation professionals to include sustainability-related metrics in valuation assignment.
2. Describe how this asset-specific information is used in the decision-making process.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains four options to provide an answer:

1. After selecting Yes, state sustainability-related valuation framework.
2. Under 'lender defined/updated checklist' participants can note an asset-specific attribute.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.
Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.
It is not necessary to select all options to obtain maximum points for this indicator.
Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

### R01.2 Does the lender require periodic valuations during the loan term? Q23.2

- **Yes**
  - Identify items included
    - Property condition assessment reports
    - Energy ratings
    - Energy audits
    - Statements of energy performance
    - Building commissioning reports
    - Green building certification scorecard/report
    - Sustainability attributes not required
    - Other: ____________
- **No**

2 points, IL, G

**Intent**
Identify if loan collateral is subject to periodic appraisals/valuations post-close of the loan. Participants should select asset attributes and risk metrics integrated into regular follow-up appraisals.

**Terminology**

- **Building commissioning reports**: A report prepared by a licensed engineer that evaluates building systems by analyzing proper installation, function and capabilities when compared to design intent.
- **Energy audit**: A process for assessing existing energy consumption patterns and evaluating measures needed to increase energy efficiency.
- **Energy Rating**: A scheme that measures the energy efficiency performance of buildings.
- **Green Building Certificate**: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.
- **Property condition assessment (PCA)**: A report prepared by an engineering firm identifying property items
requiring immediate repair, and additional items requiring attention over the loan term.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State asset-related attribute.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
R02 Does the entity/business unit provide additional financing for efficiency improvements?

- Yes
  - Please define the scope
    - Stand-alone financing program
    - Ad-hoc lending approach
  - Financing is meant for these positive impacts:
    - Improved water efficiency
    - Reduced GHG emissions
    - Improved energy efficiency
    - Improved waste management
    - Use of re-usable materials (circular economy)
    - Other: ____________
  - Provide additional information as to eligibility requirements and impact tracking (maximum 200 words)
    ____________
  - UPLOAD OR URL____________
  - Indicate where in the evidence the relevant information can be found____

- No

3.5 points, IL, E

Intent
Describe specific lender programs for funding property improvements that result in improved building efficiencies and/or positive environmental impacts. Participants should select targeted environmental impacts and describe available loan program(s).

Terminology
**Energy efficiency:** Refers to products or systems using less energy to provide the same consumer benefit.

**GHG emissions:** GHGs refers to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO2); methane (CH4); nitrous oxide (N2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); nitrogen trifluoride (NF3) and sulphur hexafluoride (SF6).

**Property improvements resulting in improved environmental impacts:** Improvements that contribute to lowering environmental impacts, including but not limited to, increased energy efficiency, lower GHG emissions, and/or water consumption reduction.

**Waste management:** Issues associated with hazardous and non-hazardous waste generation, reuse, recycling, composting, recovery, incineration, landfill and on-site storage.

**Water efficiency:** Refers to the conservative use of water resources through water-saving technologies to reduce consumption.

Requirements
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button, then complete the open text box.

**Pre-fill:** This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-
Radio buttons: Only one answer is possible. Please select the most applicable.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe the main eligibility requirements to receive this financing;
2. Identify how impacts are tracked/evaluated after financing.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State sustainability-related positive impact.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
Supporting evidence is optional. You may provide a hyperlink OR document upload for additional context.

Hyperlink: If providing a hyperlink, please ensure the relevant page is accessible within two steps.

Document upload: Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document.

Evidence may include but are not limited to:

- external document(s) that outlines key elements of the financing program,
- internal document(s) that focuses on key elements of the program and eligibility criteria.

Scoring
Because evidence is optional, evidence provided via hyperlink and/or document upload will not be used for scoring.

Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Are there instances of sustainability KPIs used as loan covenants in your portfolio?

- **Yes**
  - Select when covenants are used
    - For a specific property type
      - Explain in which cases this was applied
      - ____________
    - For a specific region
      - Explain in which cases this was applied
      - ____________
    - For specific financing
      - New construction
      - Tenant fit-outs and refurbishments
      - Deep retrofit/renovation
      - Other: ____________
      - Other: ____________
  - Other: ____________
  - Describe third-party standards referenced in covenants and granular KPI metrics used (maximum 200 words)
    - ____________

- **No**

3 points, IL, G

**Intent**
Identify mechanism(s) within loan agreements that are tied to enforcing borrower-controlled sustainability aspects/KPIs. Participants should select the applicable scope and provide examples and/or additional context.

**Terminology**

**Loan covenant:** Condition included in loan terms that requiring the borrower to fulfil certain conditions or taking certain actions.

**New construction:** Includes all borrower activities to obtain or change building or land use permissions and financing.

**Retrofit/renovation:** Includes all borrower activities to modify an existing building’s systems and/or structure in order to improve building performance or tenant amenities.

**Tenant fit-outs:** Alterations undertaken by either the tenant or the borrower to design, refurbish or decorate a leased space, making it fit for tenant purpose. Tenant improvement allowances are generally provided by the borrower, to a tenant, at time of lease origination.

**Requirements**
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator is similar to one included in the prior Assessment but has not been pre-filled.
Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Note: If 'property type' and/or 'specific region' checkbox(es) are selected - participants must elaborate in which cases covenants are used.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Specify third-party standards that are referenced in covenants;
2. Elaborate what sustainability-related metrics are utilized in loan covenants.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. This indicator contains two options to provide an answer:

1. After selecting Yes, state loan scope where sustainability-related covenants are used.
2. Under 'specific financing' participants must note for which loan type covenants are used.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

R04  Has the lender identified long-term sustainability risks that may impact the existing loan portfolio?  Q26

☐ Yes
  Please select identified risks
  ☐ Regulatory risk
  ☐ Obsolescence risk
  ☐ Climate change risk
  ☐ Other: ____________
  ☐ Other: ____________
  Describe actions to measure these risks and track impact (maximum 200 words)
  ____________

☐ No
4 points, MP, G

Intent
Describe the lending unit approach to identifying portfolio-level, long-term sustainability-related risks. Please describe the risk tracking process and measured impacts.

Terminology
Climate change risk: Risks associated with long-term change in climatic conditions or climate related events.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

No pre-fill: This indicator is similar to one included in the prior Assessment but has not been pre-filled.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe how these risks are measured within the loan portfolio;
2. Elaborate on how impacts are measured and tracked.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State sustainability risk(s) identified.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
Fund Indicators

Intent and Overview

This Aspect focuses on actions that real estate debt funds take to improve ESG metric integration into the real estate lending process. The purpose of this section is to (1) review actions taken to mitigate long-term risks; (2) understand sustainability-based impacts considered during loan review; (3) assess the presence of a sustainability taskforce or committee.

**FUND1** Does the organization have a sustainability taskforce or committee?  
Q3

- **Yes**
  - Please define scope
    - High-level taskforce that oversees sustainability in the organization
    - Stand-alone committee focusing on incorporating sustainability in real estate lending
  - Select the issue(s) assigned to the taskforce
    - Develop/refine policies to include sustainability issues
    - Policy oversight/implementation
    - Product development
    - Research/analyze sustainability risk impacts
    - Determine and track relevant KPIs
    - Inform stakeholder reporting
    - Research industry best practice
    - Formal executive level advisory
    - Other: ____________

- **No**

2 points

Intent

Identify the presence and composition of any internal sustainability taskforce or committee. Participants should elaborate on main issues assigned to this cross-functional group, and resultant impacts on the real estate lending unit.

Terminology

**ESG KPIs**: Performance indicators related to strategic priorities and connected to ESG issues. Can include both qualitative and quantitative indicators/targets.

**Executive level advisory**: A process for providing management advice for incorporating sustainability-specific topics into business vision, strategic plans, product development and similar actions.

**Policy**: Defines an organizational commitment, direction, or intention as formally adopted.

**Policy oversight/implementation**: Actions taken to monitor policy implementation within the organization.
Product development: Creating a new sustainability focused financial product or modifying an existing financial product to incorporate sustainability-related attributes.

Stakeholder reporting: Public disclosure incorporating management process and specific outcomes associated with relevant sustainability issues.

Sustainability taskforce/committee: A group of individuals who meet, at least four times per year, to discuss and monitor the implementation of the organization’s sustainability objectives.

Requirements
Select Yes or No. If Yes, please select all applicable checkboxes and a radio button.

Pre-fill: This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

Radio buttons: Only one answer is possible. Please select the most applicable.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Other: Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. State the issue assigned to the taskforce.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
FUND2  Does the lender review borrower's sustainability-based actions during and/or after completion of property improvements?

☐ Yes
Select actions used to ensure adherence
☐ Third party document review
☐ On-site property visit(s)
☐ Review of final green building certification documents
☐ Require energy rating within one year of occupancy
☐ Other: ____________

Describe the process to ensure borrower adherence during improvements and any follow-up actions after completion [maximum 200 words]

☐ No

1.5 points

Intent
Identify lender processes used to evaluate borrower actions during or after property improvements. Participants should select applicable actions, then elaborate on engagement process used to ensure borrower adherence.

Terminology
Design document inspection: Procedures that include evaluation and review of design related documents for construction projects and/or tenant fit outs.
Document review: Systematic analysis of financial data, third party reports, and related documentation provided by borrower as part of a loan transaction.
Energy Rating: A scheme that measures the energy efficiency performance of buildings.
Onsite property visit(s): A process when the lender or a designated third-party checks the property for actions or other changes in accordance with the loan terms.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

Pre-fill: This indicator is similar to one included in the prior GRESB Debt Assessment; some sections are pre-filled. Participants must carefully review their response before submitting.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe the engagement process with borrower during implementation of property improvements;
2. Elaborate follow-up actions that after property improvements are finished.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State review process or similar adherence actions.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity
For institutional lenders and others this refers to the real estate lending unit within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

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**FUND3 Does the entity/business unit request an asset improvement plan as part of due diligence?**

- **Yes**
  - Define when asset improvement plan is required
    - For specific property types
    - For specific regions
    - Asset falls below defined threshold:
      - Loan size
      - Asset rating level
      - Other: ____________
    - Asset falls below external threshold (law, regulation)
    - Other: ____________
  - Elaborate which components are reviewed and any minimum improvements required [maximum 200 words]
    - ____________

- **No**

**2.5 points**

**Intent**
The focus is to identify cases when the lender requests an asset improvement plan during due diligence. Participants should identify criteria that trigger an asset improvement plan, then describe main requirements and performance thresholds.

**Terminology**

- **Asset rating level:** Related to asset-specific energy rating and/or green building certification level. May include other third-party certifications.

- **Energy Rating:** A scheme that measures the energy efficiency performance of buildings.

- **Green Building Certificate:** Recognition that a project has received a green building rating. A certificate
indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

**External asset threshold:** Includes but it is not limited to local laws, central bank regulation or municipal asset-specific guidelines.

**Requirements**
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator is new and cannot be pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Open text box:** Description provided should fully support each checkbox selected, along with the following elements:

1. Indicate main components that are reviewed in the asset improvement plan;
2. Specify any minimum improvement actions that are required by the lender.

**Other:** Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. This indicator contains two options to provide an answer:

1. After selecting Yes, state a metric that triggers asset improvement plan request.
2. Under 'Asset threshold' participant can note asset-specific attribute that triggers asset improvement plan request.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Does the entity/business unit assess the social impact of the loan?  

- **Yes**
  - Positive impact(s)
    - Affordable housing
    - Projects for underserved communities
    - Refurbishment of ageing buildings
    - Property-backed social businesses
    - Other: ____________
  - Negative exclusion
    - Please identify decision metrics: ____________
    - Other: ____________
- **No**

**2 points**

**Intent**
The focus is on evaluation of social impacts of real estate loans. Participants should select which positive impacts can be found in the portfolio and if any exclusion criteria exist.

**Terminology**

**Affordable housing:** Assets or projects that are specifically marked by national or local government and are available to those with medium/low income.

**Underserved communities:** Communities that are disadvantaged based on characteristics including race, ethnicity, geography and health accessibility.

**Refurbishment:** Renovation or redecoration works undertaken by a landlord or tenant.

**Property-backed social businesses** Financing of an asset or asset pool that is intended for businesses with social impacts, like health-centres, collaborative office spaces, etc.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill:** This indicator is new and cannot be pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Note:** If ‘Negative exclusion’ checkbox is selected, participant must explain which criteria are used in the process.

**Other:** Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. This indicator contains two options to provide an answer:

1. After selecting Yes, state applicable impact analysis process.
2. Under ‘Positive impact(s)’ checkbox participants can state impact/metric that is tracked/reviewed.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.
**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator. Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

**FUND5** Has the entity/business unit developed a mitigation strategy for all identified long-term sustainability risks?

- **Yes**
  Describe long-term mitigation strategy elements and implementation process (maximum 200 words)

- **No**

**3 points**

**Intent**
Describe the lending unit approach to identifying and mitigating long-term, sustainability-based portfolio risk factors. Participants should provide context on mitigation strategies and implementation actions.

**Terminology**
*Mitigating actions:* Actions in place to reduce and/or manage identified risks.

**Requirements**
Select Yes or No. If Yes, please complete the open text box.

**No pre-fill:** This indicator is new and cannot be pre-filled with a prior year response.

**Open text box:** Description provided should fully support each checkbox selected, along with the following elements:

1. Elaborate on key elements of the long-term sustainability risk mitigation strategy;
2. Describe implementation process of this mitigation strategy.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Bank Indicators

Intent and Overview

This Aspect focuses on actions that institutional lenders take to improve integration of ESG metrics into real estate lending processes. The purpose of this section is to (1) review actions taken to anticipate and mitigate long-term portfolio risks; (2) understand the presence of ‘green loan’ programs; (3) assess long-term impact financing commitments, and the current state of implementation.

**BANK1** Does the lender specifically offer loans that are aimed at positive environmental impact? Q18

- **Yes**
  - Select criteria borrower must achieve
    - Building certification(s)
      - Please elaborate applicable certification labels and levels
    - Energy rating
      - Please elaborate applicable certification labels and levels
    - Energy efficiency upgrades
      - Please elaborate on applicable threshold/improvement minimum
    - Water efficiency upgrades
      - Please elaborate on applicable threshold/improvement minimum
    - Renewable energy installations
    - Other: ____________
  - Explain who can receive these loans and any additional review checks applied (maximum 200 words)

- **No**

2.5 points

Intent

The focus is on identifying any ‘green’ loan programs. Participants should describe eligibility requirements, performance metrics, and attribute/threshold characteristics.

Terminology

**Energy efficiency**: Refers to products or systems using less energy to provide the same consumer benefit.

**Energy Rating**: A scheme that measures the energy efficiency performance of buildings.
**Green Building Certificate:** Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

**On-site renewable energy:** Any source of energy produced at the site that can be used without depleting reserves, including energy from the sun, wind, water and the earth’s core. Technologies should be available onsite, such as photovoltaic panels, wind turbines, transpired solar collectors, solar hot water heaters, small-scale hydroelectric power plants, ground pump heating systems, etc.

**Water efficiency:** Refers to the conservative use of water resources through water-saving technologies to reduce consumption.

**Requirements**
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Note:** Each participant must provide additional explanation under each selected checkbox.
For certification labels and levels participants must explain which certification schemes and levels are used. For threshold/improvement minimum participants must explain what quantitative targets/metrics are used.

**Open text box:** Description provided should fully support each checkbox selected, along with the following elements:

1. Provide an explanation who can apply for these loans and any eligibility criteria;
2. Describe any additional checks performed during due diligence process.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State 'green' attribute/metric.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.
**BANK2  Does the lender provide incentives for loans with positive impact(s)?**

☑ Yes

Select all applicable:
- Greater loan proceeds
- Reduced interest rate
- Greater LTV ratio
- Increased debt service coverage ratio
- Other: ____________

**UPLOAD** OR URL____________

Indicate where in the evidence the relevant information can be found____

☑ No

2 points

**Intent**
The focus is on lender activity to provide loan incentives to collateral delivering positive environmental impact(s). Please describe loan attributes and provide documented evidence of the available product(s).

**Terminology**
- **Debt coverage ratio:** Measure of the cash flow available to pay current debt obligations.
- **Interest rate:** Annual percentage of the outstanding loan the borrower pay to the lender as the cost of borrowing.
- **Loan proceeds:** Net amount distributed by a lender to the borrower under the terms of the loan agreement.
- **LTV ratio:** Expresses the ratio of a loan value to the value of the property.

**Requirements**
Select Yes or No. If Yes, please select all applicable checkboxes.

**No pre-fill:** This indicator has been significantly changed from the 2017 Debt Assessment and has not been pre-filled with a prior year response.

**Checkboxes:** You are allowed to select multiple checkboxes. Please select applicable options.

**Other:** Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State loan-related incentive.

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
Supporting evidence is mandatory via either hyperlink OR document upload. Evidence provided must clearly demonstrate each of the selected criteria, or will be deemed invalid.

**Hyperlink:** If providing a hyperlink, please ensure the relevant page is accessible within two steps.
**Document upload:** Participants may upload several documents to support each answer. When providing a document upload, it is mandatory to indicate where relevant information can be found within the document. Evidence may include but are not limited to:

- prospectus that outlines specific incentives;
- internal document that notes applicable criteria to receive selected incentives.

**Scoring**
Evidence provided via hyperlink and/or the uploaded document is validated based on the criteria outlined above, and used for scoring purposes.

This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

---

**BANK3 Does the lender inspect the points and/or scorecard underlying a green building certification?**

- Yes
  - Review level
    - Focus only on used certification scheme
    - Analysis limited to certification scheme and level
    - Analysis focused on certification scheme, level and specific credit achievement(s)
      - Presence of specific prerequisites
      - Energy
      - GHG
      - Water
      - Waste
      - Transportation
      - Other: ____________
  - No

**1.5 points**

**Intent**
The focus is on lender use of green building certification report information. Please select the certification attributes reviewed, and level of detail.

**Terminology**
**Green Building Certificate:** Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of
recognition.

Requirements
Select Yes or No. If Yes, please select the applicable radio button.

No pre-fill: This indicator is new and cannot be pre-filled with a prior year response.

Radio buttons: Only one answer is possible. Please select the most applicable.

Other: Answers provided under 'Other' must be outside the options listed in the indicator to be valid. State specific credit or credit group.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization. For real estate debt funds and MREITs this means that response should be provided at the fund / entity level. For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence
No additional evidence is required for this indicator.

Scoring
Each radio button is scored. The quality of evidence and/or context provided directly impacts scoring results. This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator. It is not necessary to select all options to obtain maximum points for this indicator. Answers are validated individually, not in aggregate. Providing more than one answer under 'Other' does not impact scoring.

**BANK4** Does the lender have dedicated capital for financing property improvements?

- **Yes**
  - Long term commitment [until 2020 in millions]: ____________
  - Describe progress to date:
  - Total value of loans provided for property improvements [within reporting period]: ____________
  - Describe targeted impacts and applicable property types/regions (maximum 200 words)
    - ____________

- **No**

2 points

Intent
The focus is on the long-term commitments made by the participant and its targeted impacts.
Terminology

Property improvements resulting in improved environmental impacts: Improvements that contribute to lowering environmental impacts, including but not limited to, increased energy efficiency, lower GHG emissions, and/or water consumption reduction.

Requirements

Select Yes or No. If Yes, please complete the open text box.

No pre-fill: This indicator is new and cannot be pre-filled with a prior year response.

Note: Each participant must provide additional explanation after selecting Yes.

For long term commitment participants must note overall commitment in millions expressed in the same currency as in RC1.

For total value of loans participants must note overall value of loans provided for property improvements during the reporting period and expressed in the same currency as in stated in RC1.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Describe which property types and regions are part of this commitment;
2. Elaborate targeted impacts, including specific metrics associated with this commitment.

Reporting period: Answer must refer to the reporting period as identified in EC5.

Reporting level: Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

Evidence

No additional evidence is required for this indicator.

Scoring

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.
Does the lender have internal notification system to identify future risks?

- Yes
  
  Select criteria used for determining risk level
  
  - Asset criteria
    - High energy intensities
    - High water intensities
    - Expired green building certifications
    - Lapsed energy ratings
    - Other: ____________
  
  - Borrower-level criteria
    - Absence of sustainability track record
    - Absence of sustainability commitment
    - Other: ____________

  Describe how the notification system is used including context on the borrower engagement process (maximum 200 words)

- No

3 points

Intent
Focus is on the internal process used to identify and mitigate future sustainability-related risks. Participants should indicate metrics reviewed, borrower engagement and related actions.

Terminology
Energy Rating: A scheme that measures the energy efficiency performance of buildings.

Green Building Certificate: Recognition that a project has received a green building rating. A certificate indicates the name and location of the project, version of the rating system, date of certification, and level of recognition.

Sustainability commitment: Long and/or short term aims connected to specific metrics/impacts made by the lender.

Sustainability track record: Data that reflects the sustainability performance of a borrower or sponsor.

Requirements
Select Yes or No. If Yes, please select applicable checkboxes and complete the open text box.

No pre-fill: This indicator is new and cannot be pre-filled with a prior year response.

Checkboxes: You are allowed to select multiple checkboxes. Please select applicable options.

Open text box: Description provided should fully support each checkbox selected, along with the following elements:

1. Elaborate systematic use of internal notification process;
2. Describe borrower engagement actions to mitigate identified future risks.

**Other:** Answers provided under ‘Other’ must be outside the options listed in the indicator to be valid. This indicator contains three options to provide an answer:

1. After selecting Yes, state high-level criteria that is used in notification process.
2. Under 'Asset criteria' participants can note an asset-specific attribute.
3. Under 'Borrower-level criteria' participants can note a borrower-specific attribute

**Reporting period:** Answer must refer to the reporting period as identified in EC5.

**Reporting level:** Answer provided must refer to the entity / business unit, not a broader organization.

For real estate debt funds and MREITs this means that response should be provided at the fund / entity level.

For institutional lenders and others this refers to the real estate lending [unit] within the organization.

**Evidence**
No additional evidence is required for this indicator.

**Scoring**
This indicator awards points based on each individual checkbox which is then aggregated to determine total amount of points for the indicator.

It is not necessary to select all options to obtain maximum points for this indicator.

Open text box responses are awarded full, partial or no points. Responses are assessed based on compliance with the indicator requirements stated above.

Answers are validated individually, not in aggregate. Providing more than one answer under ‘Other’ does not impact scoring.
Appendix 1a

Building Certification Schemes

Select the design and/or construction certification scheme for ME4 from the list below:

- ABINC Certification for Urban Development and Shopping Centre
- Austin Energy Green Building
- BCA Green Mark New Buildings
- BEAM Plus - Interior
- BEAM Plus - New Buildings
- BERDE For New Construction
- BERDE For Retrofits and Renovations
- BRaVE
- BREEAM New construction
- BREEAM Refurbishment
- BREEAM Code for Sustainable Homes
- BREEAM Domestic Refurbishment
- Built Green
- Build it Green – GreenPoint Rated, New Home
- CALGreen
- CASBEE New Construction
- CASBEE Renovation
- CASBEE for Market Promotion
- CASBEE for Real Estate
- CEEDADesign-Operate
- China Green Building Label
- DBJ (Development Bank of Japan) Green Building Certification
- DGNB New Construction
- EarthCheck
- EarthCraft
- EDGE
- Enterprise Green Communities
- Fitwel
- Florida Green Building Certification
- G-SEED
- GBC Indonesia GreenShip - New Building
- GBCA GreenStar - Communities
- GBCA GreenStar - Design and As Built
- GBCA GreenStar - Interiors
- GBC South Africa Green Star – As-Built
- GBC South Africa Green Star - Design
- GPR Gebouw
- Green Building Index (GBI) - New Construction
- Green Globes New Construction
- Green Globes Sustainable Interiors
- Green Seal Hotels and Lodging
- Home Quality Mark
- Housing Performance Indication System/Housing Performance Evaluation
- IGBC Green New Buildings
- IGBC Green Homes
- IGBC Green SEZs
- LEED Building Design and Construction (BD + C)
- LEED BD+C: Core and Shell Development
- LEED Interior Design and Construction (ID +C)
- LEED ID+C: Commercial Interiors
- LEED for Homes
- LEED Neighborhood Development (ND)
- Living Building Challenge Petal Certification
- Minergie A
- Minergie ECO
- NAHB National Green Building Standard
- NF HQE - New Building
- NF HQE - Renovation
- NF HQE Bâtiments Tertiaires
- NZGBC Green Star - Design
- NZGBC Green Star – Interiors
- Passiefwoning
- SGBC Miljöbyggnad - New Buildings
- SGBC Green Building EU
- SKA Rating
- SMBC Sustainable Buildings Assessment/New Buildings
- Standard Nachhaltiges Bauen Schweiz (SNBS)
- Svanen miljömärkta
- Toronto Green Standard - Tier 2
- WELL Buildings
- WELL Core and Shell
- WELL Interior
- Woon Kwaliteit Richtlijn

This list indicates certifications that have been submitted to GRESB as part of participation and accepted for full or partial recognition. Additional schemes may also receive recognition if they meet GRESB’s criteria.
Appendix 1b

Green Building Certification Validation Questions

A Certification scheme

1. Certification scheme name _________________
2. Certification sub-scheme name _________________
3. Certification body name _________________
4. Country where certification was granted _________________

B Is the certification an in-house or external scheme?

1. In-house certification scheme
2. External scheme

C Verification of compliance with scheme requirements is based on:

• Third-party document review
• Third-party on-site assessment
• Both document and on-site assessment performed by a third party
• No third-party document review or on-site assessment required

Note: If you use an in-house scheme, GRESB will ask for additional information on the scheme. If no third-party document review or on-site assessment required, GRESB will ask for an upload to provide specific information on the assessment method.

D Public information

1. Public website of the scheme _________________
2. Public list of certified projects online _________________

E Is the scheme required by a national or regional government agency?

• Yes. Specify name of agency _________________
• No

Note: Mandatory certification by a central government or regional/local government department or from an organization with delegated authority from such a department.

F Is the scheme used by a national or regional government agency?

• Yes. Specify name of agency _________________
• No
G Does the certification require:

1. Performance-based design goals for energy efficiency and/or GHG emissions reduction
2. Operational performance data for energy efficiency and/or GHG emissions reduction
3. Both design and operational goals and data collection
4. None

H Select the topics included in the scheme assessment: [multiple answers possible]

- Location (e.g., brownfield redevelopment, density, walkability)
- Transportation (e.g., access to public transport)
- Site design (including stormwater management, heat island reduction, etc.)
- Energy efficiency
- Greenhouse gas emissions
- Indoor water conservation
- Outdoor water conservation
- Waste management (including waste diversion, recycling)
- Indoor environmental quality
- Operations/management
- Materials selection
- Biodiversity and habitat conservation
- Public health and wellness
- Social equity
- Resilience
- Other, please specify _________________

Note: Refers to the scheme in general, not to the topics included in each individual asset assessment of the portfolio.

I Select the property types included in the scheme assessment: [multiple answers possible]

- Data Centers
- Healthcare
- Hotel
- Industrial, Business Parks
- Industrial, Distribution Warehouse
- Industrial, Manufacturing
- Lodging, Leisure & Recreation
- Medical Office
- Office
- Parking (indoors)
- Residential
- Residential, Family Homes
- Residential, Multi-family
- Residential, Student Housing
- Retail, High Street
- Retail, Shopping Center
- Retail, Warehouse
- Self-storage
- Senior Homes
- Other, please specify _________________
Assessment details

1. Certificate duration _________________
2. Certification levels _________________
3. Assessor credential _________________
4. Assessment method and criteria _________________
5. Recertification requirements _________________
6. Provide any additional information about the scheme (maximum 250 words)
   _________________

If you wish to add a new scheme in addition to the list that has been provided, please contact info@gresb.com, and you will be asked to complete the above-stated validation questions for the scheme.
Appendix 2

Assurance and verification schemes

- AA1000 Assurance Standard
- Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)
- Airport Carbon Accreditation (ACA) des Airports Council International Europe
- Alberta Specified Gas Emitters Regulation
- ASAE 3000
- Attestation Standards established by the American Institute of Certified Public Accountants/AICPA (AT101)
- Australia National Greenhouse and Energy Regulations (NGER Act)
- California Mandatory Greenhouse Gas Reporting Regulation (NGER Act) (also known as Californian Air Resources Board regulations)
- Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025 Carbon Trust Standard
- Chicago Climate Exchange verification standard
- Compagnie Nationale des Commissaires aux Comptes (CNCC)
- Corporate GHG Verification Guidelines from ERT
- DNV Verisustain Protocol/ Verification Protocol for Sustainability Reporting
- Earthcheck Certified
- Enviro-Mark Solutions’ CEMARS (Certified Emissions Measurement And Reduction Scheme) standard
- ERM GHG Performance Data Assurance Methodology
- IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues
- ISAE 3000
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements
- ISO 14064-3
- JVETS (Japanese Voluntary Emissions Trading Scheme) Guideline for verification
- Korean GHG and Energy Target Management System
- NMX-SAA-14064-3-IMNC: Instituto Mexicano de Normalización y Certificación A.C
- RevR6 Procedure for assurance of sustainability report from Far, the Swedish auditors professional body
- Saitama Prefecture Target-Setting Emissions Trading Program
- SGS Sustainability Report Assurance
- Spanish Institute of Registered Auditors (ICJCE)
- Standard 3410N Assurance engagements relating to sustainability reports of the Royal Netherlands Institute of Registered Accountants
- State of Israel Ministry of Environmental Protection, VERIFICATION OF GREENHOUSE GAS EMISSIONS AND EMISSIONS REDUCTION IN ISRAEL GUIDANCE DOCUMENT FOR CONDUCTING VERIFICATIONS, Process A
- Swiss Climate CO2 label
- The Climate Registry General Verification Protocol (also known as California Climate Action Registry (CCAR))
- Tokyo Emissions Trading Scheme
- Verification under the EU Emissions Trading Scheme (EU ETS) Directive and EU ETS related national implementation laws
Appendix 3

Name of Organization Validation Questions

Organization website _________________

Office location (city/country) _________________

Who could GRESB contact for validation purposes?

- Name _________________
- Email _________________
- Phone number _________________

*This information is only used for validation purposes where the organization is not yet confirmed as a valid answer in GRESB’s validation database.*
# Appendix 4

Document upload cover page

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**GRESB Upload Cover page**

This cover page is an optional tool which may be used by participants of GRESB Assessments in order to better structure evidence provided at an indicator level. This document may be uploaded separately or attached to evidence. For evidence provided in languages other than English, a brief description of contents is required for validation purposes and participants may make use of the open text box provided in the cover page to do so.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Brief description of contents (in English)</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

**Location of relevant information:**

<table>
<thead>
<tr>
<th>Element</th>
<th>Location (page, paragraph)</th>
</tr>
</thead>
<tbody>
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**Notes**

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