RPI implementation

February 2011

BNP Paribas Real Estate Investment Services
Principles for responsible investment:

We are committed to the principles of responsible investment encompassing environmental, social and governance issues throughout the investment and management processes.

We believe that ESG issues can impact on the longer term performance on investment portfolios.

We recognise these principles can contribute to aligning investors with the broader objectives of society.
Growing demand for sustainable development

“In general, in your company, sustainable development is:“

- 71% Already taken into account
- 19% Is to become a priority
- 10% Not a priority

Source: ESSEC Business School, BNP Paribas Real Estate Chair 2009

Interest growing, in 3 years, from 21% to 67%, now to 90%
An estimate using new deliveries and stock (sqm)
Ageing stock: a major issue to deal with (stock selection, asset management)

Source: PMA / BNP Paribas REIS, April 2010
A first and quick check

1. General data (information available on different issues is already an important signal)
2. Regulatory compliance
3. Risk identification
4. Ratings
5. Energy
6. Water Waste
7. Transportation
8. Responsible Use

Allowing a quick review and a general monitoring on large portfolios
One step further: asset rating

A tool to select, and to monitor improvements

8 dimensions:

- Location and Transport Links
- In Use Performance Assessment
- Urban Environment
- Sustainable Building Features
- Building Characteristics
- Internal Areas - Layout and Flexibility
- Site Amenities & Services
- Mechanical & Electrical

Source BNP Paribas REIS, July 2010
Integrate design and operation

**Conception**

- **Start with sustainable design and building but also improvement and management mindset**
  - Architecture
  - Planning
  - Site management
  - Construction

- **Process is key**
  - Integrated and consistent
  - Contracts
  - Deliverables & reporting

- **Asset an Property Management : Building monitoring and partnership with the tenant**
  - Regulations intelligence, subsidies possible
  - Sustainable management, improvement works planning, building operation and monitoring
  - Green lease implementation: consistent use of the premises

**Investment strategy**