



Swiss Finance & Property AG

SFI-SSF Conference 2024

Swiss Indirect Real Estate A sustainable investment approach

Nicolas Di Maggio

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The journey is the destination




ESG touch points for Swiss Indirect Real Estate investments

-  **Reporting standards Swiss and Global:** FINMA, AMAS, REIDA, ASIP, SFDR
 -  **Sustainable investment approaches:** Exclusions; ESG integration; Stewardship; Climate-alignment
 -  **Data collection:** individual ESG reports and GRESB
 -  **Data processing:** measuring and verifying trends
 -  **Data analysis:** ESG data in comparison with performance targets
 -  **Collaboration to achieve net-zero**
-

Swiss Indirect Real Estate: sustainable investment approaches


At the centre are reliable data, commitments, the implementation of approaches and reporting




Data collection and harmonisation 

ESG key figures

Proprietary database for financial and sustainability indicators

GRESB Investor Member 

Methodical principles REIDA in Scope 1 and Scope 2

Greenhouse gas reduction path 

Survey and verification on greenhouse gas reduction pathway

Commitments

Net-zero-target 2050 

Regulation: FINMA regulated securities firm;
AMAS GRESB and UNPRI

Stewardship (Active Ownership)


Engagements with relevant market participants since 2018 


Voting in shareholding companies

Structured coordination


ESG-Steering Committee monitors activities of
ESG-Task Force and ESG-Manager 

Holistic approach


ESG Integration and climate alignment 

Assessment 

Financial and sustainability indicators are analysed and correlated

Greenhouse gas reduction path 

Portfolio compared to the Benchmark universe

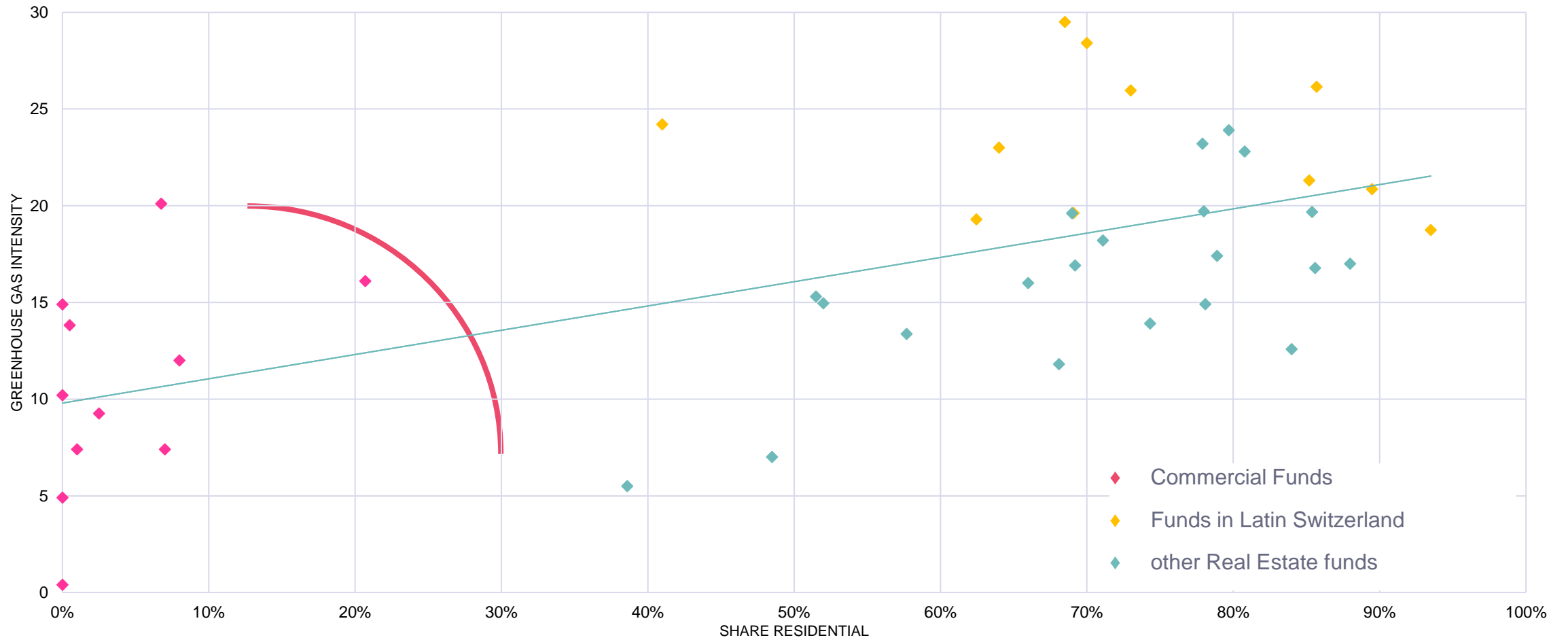
Reporting 

Detailed sustainability report (AMAS, REIDA, ASIP, SFDR)

ESG Analysis

Commercial properties distinguish from residential properties.

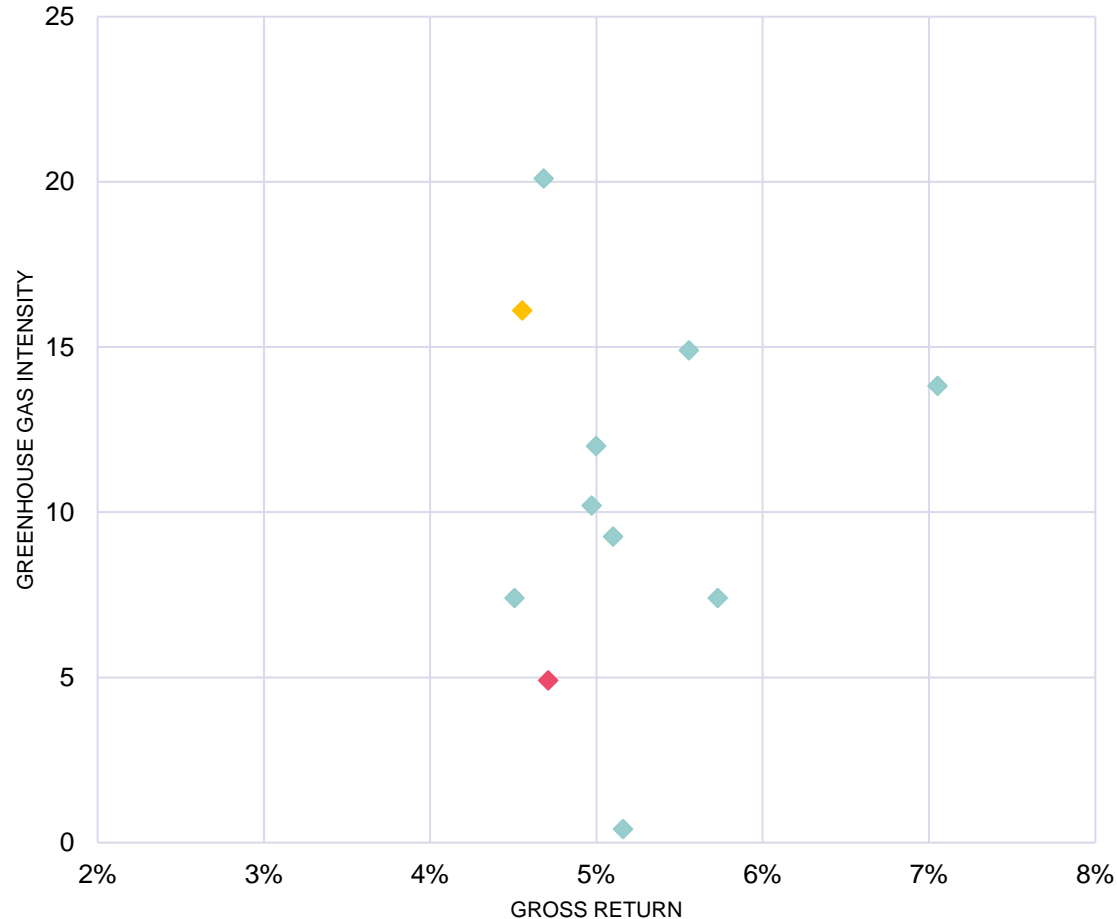
Investment universe: funds



ESG Analysis – stock selection

Gross yields are produced with different Greenhouse gas intensities

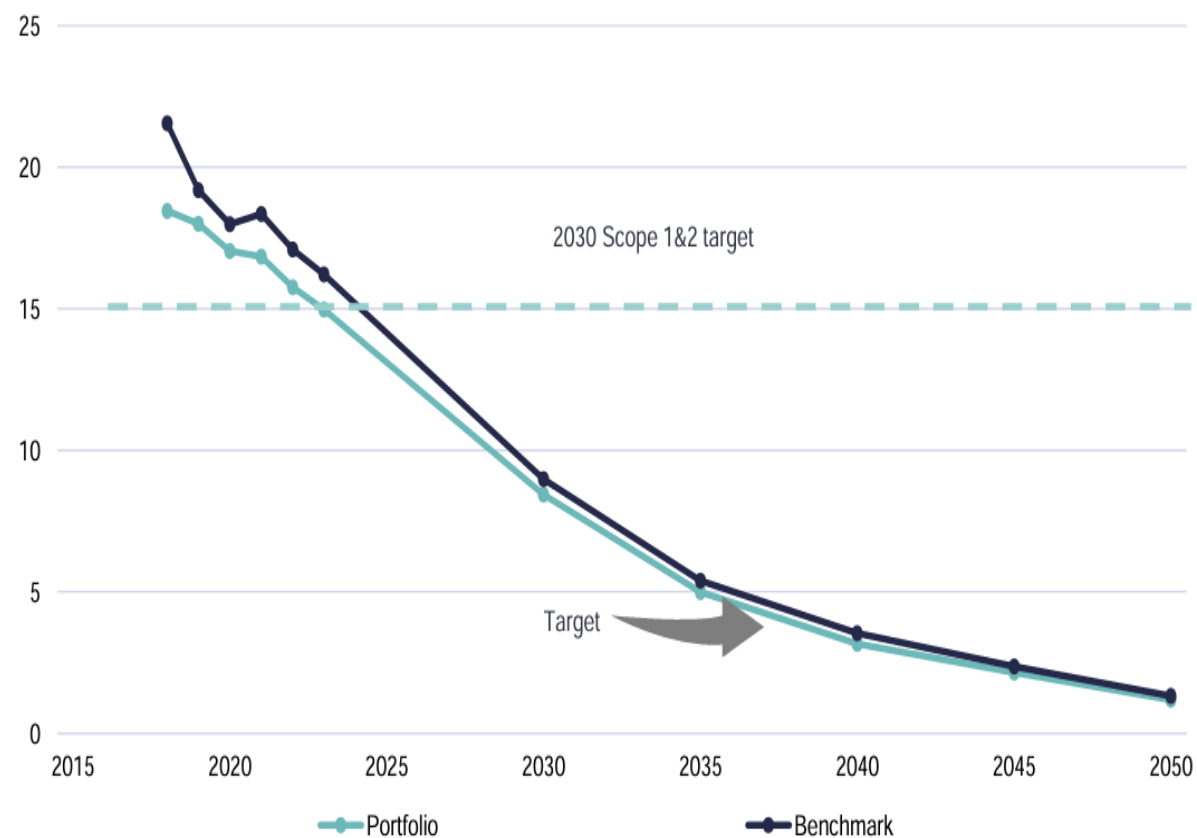
Investment universe: commercial funds



Stock comparison

	Fund A	Fund B
% Residential	0.0%	20.7%
% Romandie	45.3%	26.0%
% big cities	53.7%	90.6%
Operating CF (MV)	3.6%	3.9%
Gross yield	4.7%	4.6%
CO ₂ e-Intensity (kgCO ₂ e/m ² EBF)	4.9	16.1
Share fossil fuels	24.6%	41.6%
GRESB Score Standing	92	76

ESG Analysis – SF Property Selection Fund



Data source: Weighted data from individual providers as of 31 July 2024

	SF Property Selection Fund	SXI Swiss Real Estate Funds TR
% Residential	49.4%	58.3%
% Romandie	33.1%	35.4%
% big cities	64.1%	64.8%
Operating CF (MV)	2.9%	2.6%
Gross yield	4.3%	4.2%
Operating CF (MV)	2.9%	2.6%
Proportion fossil fuels	59.9%	62.3%
Proportion renewable energy	31.3%	28.7%
GRESB Score Standing	86	86
Exercise of voting rights 2024	100%	
<i>Approval</i>	96.7%	
<i>Refusal</i>	2.3%	
<i>Abstention</i>	1.0%	

ESG Analysis – SF Property Selection Fund

Energy mix

	Coverage - Portfolio / Benchmark	Portfolio	Listed Funds	Non-listed Funds	Listed Companies	Non-listed funds (based on NAV)	Foundations	SWIT	Non-listed Funds	REAL	KGAST	Benchmark
Fuels	96% 100%	60.3%	60.7%	65.1%	55.0%			62.7%	58.8%	53.6%	65.5%	62.7%
Fuel	96% 100%	21.0%	21.9%	16.3%	10.4%			21.8%	17.0%	9.7%	18.1%	21.8%
Natural gas	92% 97%	37.9%	37.4%	48.8%	43.6%			39.5%	40.4%	43.1%	44.6%	39.5%
Biogas	4% 3%	0.3%	0.3%	0.0%	0.1%			0.2%	0.1%	0.1%	0.5%	0.2%
Biomasse (Holzschnitzel, Pellets)	63% 70%	1.1%	1.1%	0.0%	0.8%			1.1%	1.3%	0.7%	2.3%	1.1%
Heat	96% 100%	26.3%	25.7%	22.9%	33.8%			25.6%	29.3%	39.6%	25.1%	25.6%
District heating	96% 100%	22.1%	21.2%	11.0%	33.7%			21.5%	25.7%	37.7%	20.3%	21.5%
Local heating	5% 7%	0.0%	0.0%	0.0%	0.0%			0.3%	0.2%	0.0%	0.2%	0.3%
Environmental heat	72% 80%	4.1%	4.4%	11.9%	0.2%			3.8%	3.4%	1.9%	4.6%	3.8%
Electricity	84% 89%	13.4%	13.6%	12.1%	11.2%			11.7%	11.3%	6.8%	9.4%	11.7%
Electricity Heat pumps	45% 44%	3.6%	3.7%	4.8%	1.5%			2.2%	2.2%	1.2%	0.7%	2.2%
Electricity Heat direct	3% 2%	0.1%	0.0%	0.0%	1.5%			0.0%	0.0%	1.0%	0.0%	0.0%
Electricity general	76% 87%	9.7%	9.9%	7.3%	8.2%			9.5%	9.1%	4.6%	8.8%	9.5%
Proportion of renewable energy	70% 74%	31.3%	29.7%		47.4%			28.7%	35.6%	46.1%	24.7%	28.7%
Proportion of fossil energy	96% 100%	59.9%	60.3%	70.2%	54.5%			62.3%	59.0%	53.0%	66.3%	62.3%

GRESB ESG Breakdown



Environmental
GRESB Average 45 | Benchmark Average 46



Social
GRESB Average 17 | Benchmark Average 17



Governance
GRESB Average 18 | Benchmark Average 19

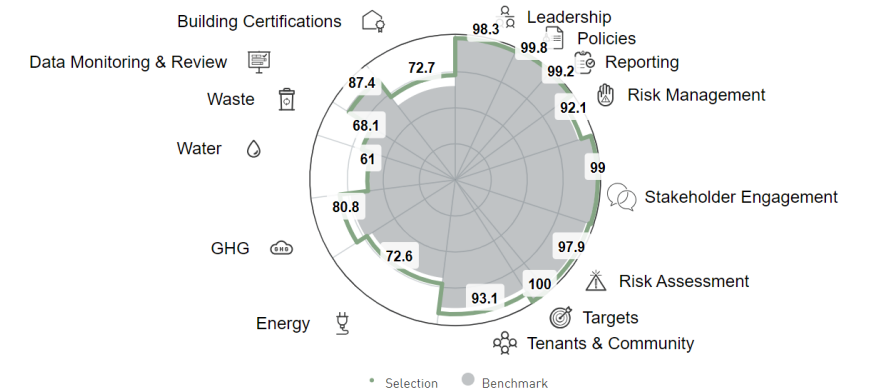


Performance Score
GRESB Average 52 | Benchmark Average 54

Data source: Weighted data from individual providers and GRESB

Swiss Finance & Property Group

GRESB Portfolio Summary



GRESB Score
GRESB Average 80 | Peer Average 83



Management Score
GRESB Average 28 | Benchmark Average 29



Q&A

Adresse



Swiss Finance & Property AG

Seefeldstrasse 275

CH-8008 Zürich

T +41 43 344 61 31

info@sfp.ch

www.sfp.ch

www.sfurban.ch

www.sfp-ast.ch

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