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Banks and insurance companies: Their role in fostering sustainable buildings



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

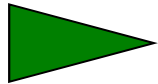
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Overview



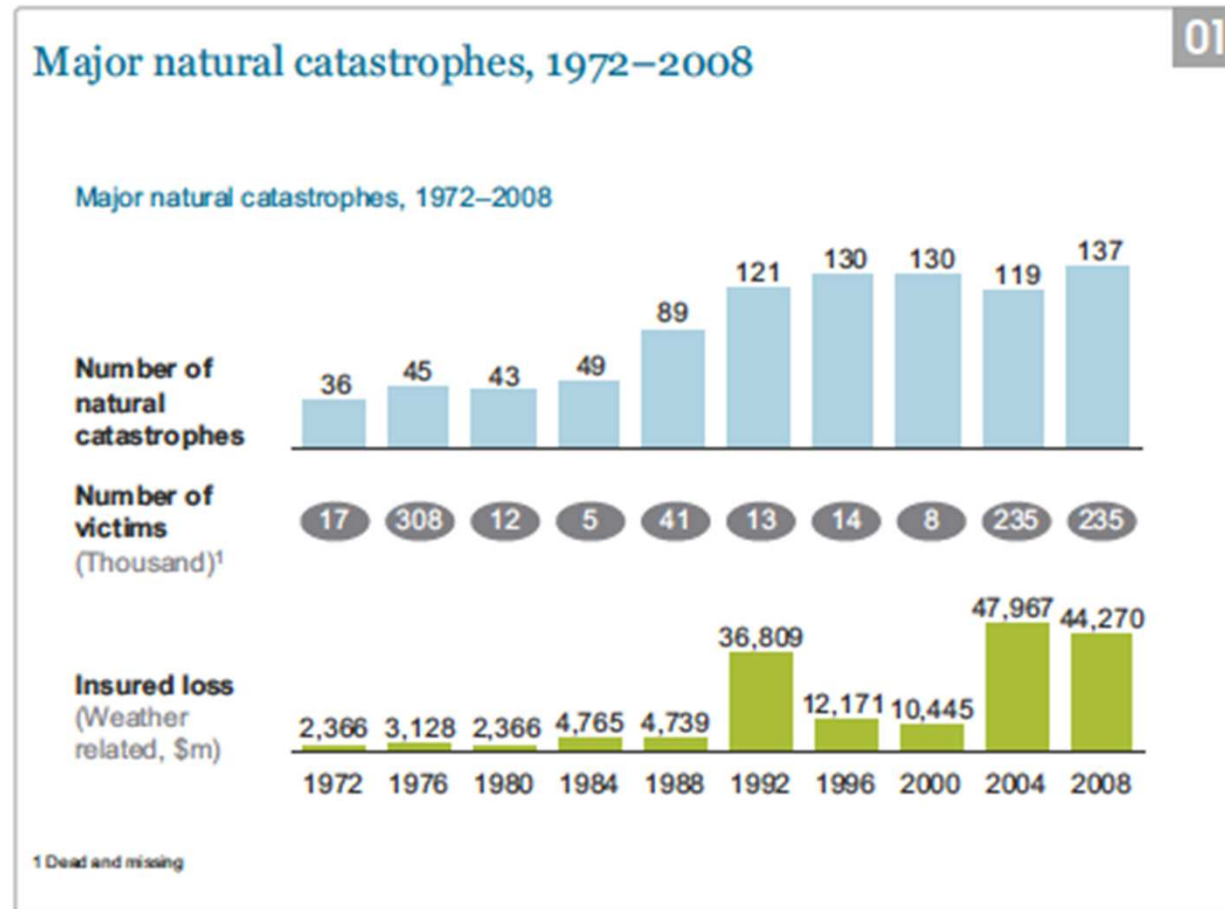
1. General comments

1. Sustainable mortgages & loans
2. Sustainable real estate investment funds
 1. Pension funds
 1. Sustainable building management of banks & insurance companies
2. Sustainable investment networks
3. Conclusion



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1. General comments



Source: Economics of climate adaptation 2009.

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1. General comments

- In Switzerland, there are real estate values in the extent of 2.3 trillion CHF (43.26 trillion CZK).
- Public and private building owners invest about 50 billion CHF (942 billion CZK) every year in buildings.

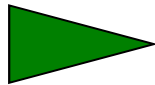


Source: Swiss Government 2010.

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Overview

1. General comments



1. **Sustainable mortgages & loans**

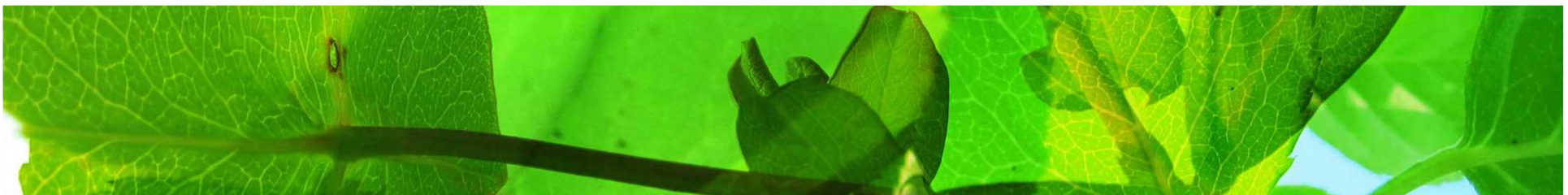
2. Sustainable real estate investment funds

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2. Sustainable mortgages & loans

- Nearly all Swiss banks have sustainable mortgages.
- These mortgages are for new buildings and renovations.
- Such mortgages are granted for residential and commercial properties.
- Some banks give their customer advice and information on sustainable building and energy issues.





2. Sustainable mortgages & loans

- Financial Institutions:
 - Total Swiss banks operating
 - Regional cantonal banks.
- Two types of sustainable procurement criteria:
 - MINERGIE®, MINERGIE-P® or MINERGIE-ECO®, identification of the cantons GEAK®, renewable energies
 - Ecological, social and sustainable forms of housing, non-profit, cultural and social models.

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2. Sustainable mortgages & loans

- Different conditions & services, for example:
 - Interest rate cut between 0.5% and 1%
 - Amount between 20 000 CHF (375 000 CZK) and 250 000 CHF (4.7 Million CZK) for single family house et cetera
 - Amount between 500 000 CHF (9.4 Million CZK) and 4 Million CHF (75.1 Million CZK) for commercial buildings.





Example 1 Bank Coop

- Sustainable procurement criteria (MINERGIE®, MINERGIE-P® or MINERGIE-ECO®; identification of the cantons GEAK®; energy-saving renovations, renewable energies).
- Fixed or variable rate mortgage (optional).
- Maximum of 5 years.
- Minimum amount of 20 000 CHF (375 000 CZK).
- Maximum amount:
Single-family homes / flats 250 000 CHF (4.7 Million CZK) and
business houses and commercial property / Schools / Government
Buildings 500 000 CHF (9.4 Million CZK).
- Interest rate reduction: 0.50% p. a.



Example 1

Information and advisory support

HOME

PRODUKTE

RATGEBER & TOOLS

NACHHALTIG WOHNEN

Bauen und Renovieren nach Minergie

Energiesparend renovieren

Erneuerbare Energien

GEAK®

Steuertipps bei Renovationen

Förderbeiträge


Nützliche Links

SERVICE & BERATUNG

Seite drucken Audio Version

Nachhaltig wohnen


Bauen nach Minergie



Nach Minergie bauen - was heisst das für neue Häuser, für Modernisierungen?

[Weitere Informationen](#)


Erneuerbare Energien



Eine energieeffiziente Optimierung und erneuerbare Energien machen sich bezahlt.

[Weitere Informationen](#)


Steuertipps bei Renovationen



Energie- und Umweltschutzmassnahmen lohnen sich auch aus steuerlicher Sicht.

[Weitere Informationen](#)


Nützliche Links



Nützliche Informationen im Internet

[Weitere Informationen](#)


Energiesparend renovieren



Mit gezielten Massnahmen den Energieverbrauch im Gebäude auf die Hälfte reduzieren.

[Weitere Informationen](#)


GEAK®



Der Gebäudeenergieausweis der Kantone gibt Auskunft über den Energieverbrauch.

[Weitere Informationen](#)


Förderbeiträge



Unterstützung für energiebewusste Eigentümerinnen und Eigentümer.

[Weitere Informationen](#)

Nachhaltigkeit



Nachhaltigkeit bei der Bank Coop.

[Weitere Informationen](#)

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Example 2 **ABS Alternative Bank Schweiz**

- Any credit of the ABS must be an eco-credit (corporate, investment loans and mortgages).
- The bank offers special promotional loans for alternative energy and social living.
- The bank has a rating system to measure these criterias.
- A bank with high ethical principles.



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3. Sustainable real estate investment funds

- In Switzerland there are banks which act as a pioneer in the field of real estate funds, for example:
 - Bank Sarasin
 - Credit Suisse
 - Globalance Bank.
- Such funds include as criteria that the projects and properties have to fulfill the strict conditions of quality for sustainable real estate.





Example 1

Credit Suisse Real Estate Fund Green Property

Real Estate

Credit Suisse Real Estate Fund Green Property



Credit Suisse Real Estate Fund Green Property

Fund Domicile:	Switzerland
Fund Manager:	Jean-Claude Maissen, Zurich
Investor Group:	Qualified investors ¹
Benchmark:	SXI Real Estate Funds (RI)
Management Fee:	0.50% p.a.
Fund Size:	CHF 300 million
Fund Currency:	CHF
Issue Date:	May 12, 2009
End of Financial Year:	December 31
Security Number:	10 077 844
ISIN Number:	CH0100778445

Investment Concept

The Credit Suisse Real Estate Fund Green Property (CS REF Green Property) is the first Swiss real estate fund to invest in sustainable projects and properties in economically strong urban locations within Switzerland. The projects and properties must meet the requirements of *greenproperty*, the quality seal for sustainable building. This fund gives qualified investors¹ the opportunity to access a diversified portfolio of high-quality construction projects and properties.

CS REF Green Property units have been traded over the counter since full payment was made on December 1, 2009. The initial public offering is planned within a timeframe of five years. In view of the implementation of construction projects, the fund is targeted toward investors with an investment horizon spanning several years. The fund currency is the Swiss franc.

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Example 1

Credit Suisse Real Estate Fund Green Property

- Quantitative and qualitative assesement by five criteria:
 - Utilization
 - Infrastructure
 - Energy-materials
 - Life cycle
 - Ecology criteria (includes economic and social aspects).
- Only qualified investors can invest in The Credit Suisse Real Estate Fund Green Property.
- Projects in Switzerland.
- Total assets real estate: 308 Million CHF (5.74 Billion CZK).



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Example 2

Sarasin Nachhaltige Immobilien Schweiz

- The investment group requires the idea of ecological and social sustainability for an investment.
- Projects in Switzerland.
- Total assets real estate: 209 Million CHF (3.9 Billion CZK).

Bern, Bildungszentrum Pflege, Freiburgstrasse



Aarberg, Splinsstrasse



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Example 2

Sarasin Sustainable Equity - Real Estate Global B

- The fund invests only in shares and equity securities of companies whose activity is focused mainly on the real estate sector and whom business includes environmental and social sustainability aspects.
- Total assets real estate: 52 Million EUR (1.25 Billion CZK).



Sarasin Real Estate Equity – Global

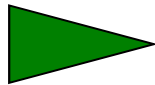
Sarasin Real Estate Equity – Global invests in a broadly diversified portfolio of listed shares and equity securities of companies whose activity is focused on the property sector. This embraces companies whose activity involves the acquisition, development and use of land, or companies that own land and buildings as a vehicle for generating income. This also includes closed REITs (Real Estate Investment Trusts) or other comparable property management companies.

Sarasin Real Estate Equity – Global is an ideal supplement for private and institutional clients who want exposure to a global property portfolio in their investment policy.

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4. Pension funds

- Pension funds are big investors in the real estate business.
- Some Swiss pension funds invest only in properties that meet at least the MINERGIE® – but unfortunately only for new buildings and not for renovations.
- There are few pension funds which have stricter criterias.



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Example 1 Nest

- High ethical principles, not for profit.
- Negative criterias
- If the conditions given to the safety, mortgage-search are preferred:
 - of insured persons and affiliated companies
 - of properties with good ecological construction or use
 - residential cooperatives and other self-help organizations.



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5. Sustainable building management of banks & insurance companies

- Almost all Swiss banks and insurance companies are committed to sustainable energy buildings and sustainable building management.
- This commitment is part of their corporate responsibility, environmental management and marketing mix.
- Measures of companies for sustainable building include for example:
 - Standards
 - Models
 - Memberships in organizations
 - Partnerships (state & private partners)
 - Sponsoring & Awards.

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Example 1 SwissRe

- Goal until 2013: Renewable energy for all locations.
- Greenhouse Neutral and CO2 Reduce and Gain programmes.
- Minimum standards for procurement activities.



Corporate responsibility

We have a long-standing commitment to corporate responsibility and strive to live this across our business. For our achievements over the years we have received valuable recognition from specialised rating agencies and other organisations.

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6. Sustainable investment networks

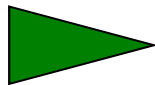
- Das Forum nachhaltige Geldanlagen (The Sustainable Investment Forum), founded 2001, is the trade association for sustainable investment in Germany, Austria and Switzerland. It has more than 120 members (banks, insurance companies, rating agencies, investment companies, asset managers, financial advisers, NGOs and interested individuals).
- The European Sustainable and Responsible Investment Forum (Eurosif) is a pan-European merger which has made it to its mission to promote sustainability across the path of financial markets. It works as a partnership of the National Sustainable Investment Forums (SIF) within the EU, with the support and participation of its members.



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7. Conclusion

- Corporate Real Estate and Sustainability Survey 2010:
 - About 10% of the companies in Switzerland with more than 249 employees. Less than 1% of the companies with 1-249 employees.
 - 73% of the companies indicate that sustainability their real estate decisions mostly or always plays a role.
 - 80% appreciate the benefits of sustainability Operating real estate as at least equal high or higher than the costs.
- Also the private demand for sustainable homes and the funding increase.
- As a result of these developments, bank and insurance invest more and more in sustainable buildings and create financial products in this field.

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