

Corporate Real Estate & Facilities Management



RICS®



Knight
Frank

2023

The main objective of this report is to bring CRE community together to share insights on the corporate real estate & facilities management trends, today and beyond.

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Foreword



Shishir Bajjal

Chairman & Managing Director,
Knight Frank India

In the realm of India's Commercial Real Estate (CRE) and Facility Management, several notable trends are shaping the landscape, ensuring the industry remains dynamic and adaptive. One of the predominant themes is the increasing emphasis on sustainability, with businesses and developers incorporating eco-friendly practices into their structures. The drive towards achieving Net Zero emissions is gaining traction, aligning with global efforts to mitigate the impact of climate change. This commitment to environmental responsibility is not only a regulatory requirement but also a strategic move to create a more resilient and sustainable built environment.

Furthermore, the integration of Environmental, Social, and Governance (ESG) principles is becoming a pivotal factor in decision-making within the CRE sector. ESG considerations extend beyond mere compliance, encompassing a holistic approach that accounts for environmental impact, social responsibility, and governance practices. This trend reflects a growing awareness of the broader impact of real estate activities on communities and ecosystems. Additionally, the adoption of Prop Tech (Property Technology) is revolutionising how buildings are managed and utilised. Innovations in digital platforms, data analytics, and smart building technologies are enhancing operational efficiency, optimising resource utilisation, and ultimately contributing to a more seamless and responsive end-user experience.

Collectively, these trends are not only enhancing the immediate functionality of commercial spaces but are also contributing to the future-proofing of built environments. The integration of sustainable practices, commitment to Net Zero goals, attention to ESG factors, and the adoption of Prop Tech are indicative of a forward-thinking approach within India's CRE and Facility Management sectors. As stakeholders embrace these trends, they are not only ensuring compliance with evolving standards but also positioning themselves to thrive in an era where environmental consciousness and technological advancements are paramount. Knight Frank's endeavour is to bring these discussions to the fore. An objective of our partnership with RICS is to create a platform for conversations that address this new age of corporate real estate.

This whitepaper will give you an overview of how the various aspects of corporate real estate have developed in India and what can be expected soon.

I hope you have a great day of learning and deliberations at the RICS India CRE and FM Conference. We look forward to continued dialogues with you on the future of corporate real estate in India.



Sathish Rajendren

Senior Executive Director & Head,
Facilities & Asset Management Services
Knight Frank India

Over the past two years the CRE industry has witnessed a significant acceleration from awareness to adoption of new emerging technologies and enhanced end user experiences. Additionally, ESG has become vital for businesses to grow and sustain in the long run, as it is now a part of governance and regulatory practices.

Amidst many challenges, FM industry is putting itself in a driver seat for continued evolution for better deliverables and explore diverse facets of CRE practices that will shape facilities today and beyond. Further the journey towards a net-zero future is challenging, hence we must embrace sustainable practices in our daily lives, support government initiatives and advocate for innovative solutions by prioritising the future trends, and challenges whilst delving into the evolving role of facility & Asset managers, RIET guidelines, technology's impact, sustainability initiatives and the changing dynamics in the built environment. A well-managed facilities are crucial for businesses as they enhance safety and employee motivation while improving overall business efficiency.

Our facilities & asset management teams have not only surfaced as a front-line warrior but also has emerged as experience managers adapting to future trends and best practices to enhance end - user experiences.



Our Objective

Knight Frank is privileged to be a knowledge partner along with RICS for the Conference on **“Corporate Real Estate & Facilities Management.”** The main objective of this partnership is to bring CRE community together to share insights on today and beyond future proof of the workplace trends. Knight Frank being a leading International Property Consultancy Company would like to share their in-depth knowledge along with distinguished CRE diaspora in India.

Our Research

We want to put the personal touch back into real estate. Why because, real estate is a people business and its about long term relationship. We do real estate by specializing in delivering plan-to-operate real estate services. And by taking hospitality approach to developing personalized real estate solutions.

We are the world’s largest privately-owned international property advisor with 125 years heritage. Our global Portfolio Solutions is exclusively tailored to occupiers of commercial real estate, helping companies to manage multiple properties in their portfolio across the globe. We adopt a data-driven approach to support you in portfolio planning to optimise the performance of your portfolio. Our tools are designed to leverage data to support you in your real estate decision making and ensure that you align to your business objectives. We have expertise across asset types -Office, Industrial, Retail, Capital markets, Data Centers, Logistics, Warehousing

Our bespoke research and flagship publications offer insights into global best practices for workplace strategies, the trends shaping occupational markets, and the implications for occupiers and landlords, allowing them to form forward-looking real estate strategies. We work inclusively with our teams on the ground to deliver localized solutions to global corporates.

Market Research

- Global occupier dashboard
- Global Prime Office Index
- Global and APAC Outlook
- Country level market reports

Thematic Research

- (Y)OUR SPACE
- Future Gazing
- New Frontiers
- The Wealth Report
- 2023 G20 New Delhi Summit

Investments in Real Estate

In 2022, investors faced numerous challenges, leaving little room for celebration. Factors such as geopolitical instability, rising interest rates, and increasing inflation had a significant impact on investment decisions throughout the year. These conditions resulted in high volatility in financial markets, making it more difficult to make investment choices.

During 2022, private equity (PE) investments in various segments of the Indian real estate market including office, residential, retail, and warehousing, declined by 13.6% to USD 5.4 bn as investors shied away from making big investments for fear of geopolitical concerns.

In H1 2023, investors continued to remain cautious with investments due to escalating international tensions and concerns about rising inflation, increasing interest rates and the fear of a possible recession among major economies. In the first half of 2023, the Indian real estate sector received USD 2.6 bn in private equity (PE) investments across office, warehousing and residential sectors. Compared to the first half of 2022, PE investors adopted a measured approach in H1 2023, resulting in a conservative shift in investment strategies.

Tightened lending standards and geopolitical uncertainty on a global scale kept investors cautious and limited their involvement in the market. However, while investors remained wary due to the ongoing turbulence, this current uncertainty in the short term presents an opportunity for investors to pursue their long-term goals by investing in quality assets.

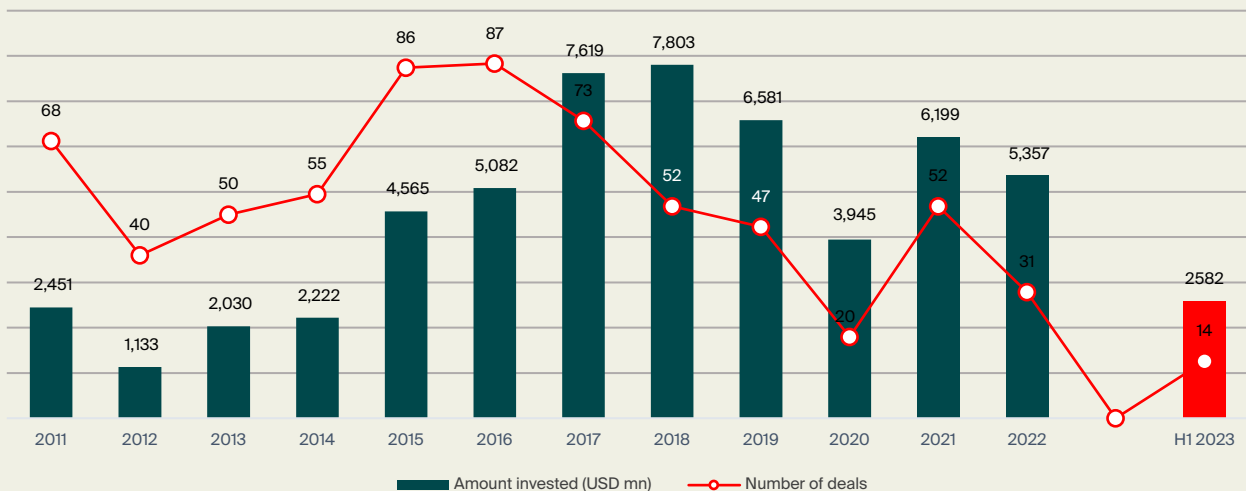
As an increasing number of companies seek capital and financing in private markets, the range of potential investment opportunities expands. Historical evidence suggests that even during periods of turmoil, private assets have the potential to perform well both in absolute and relative terms.

Investors adopted a measured approach in H1 2023, resulting in a conservative shift in investment strategies



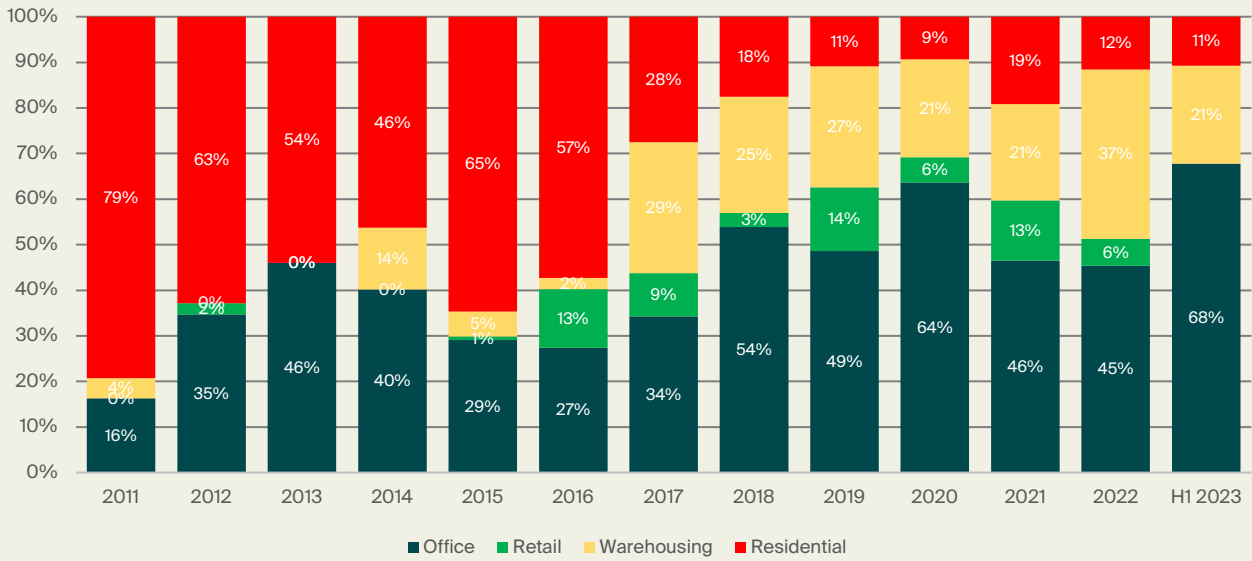
Source: Knight Frank Research, Venture Intelligence.

Real estate investments totaled USD 2.6 bn in H1 2023



Source: Knight Frank Research, Venture Intelligence.

The office sector leads the pack in the market with warehousing in a strong second position



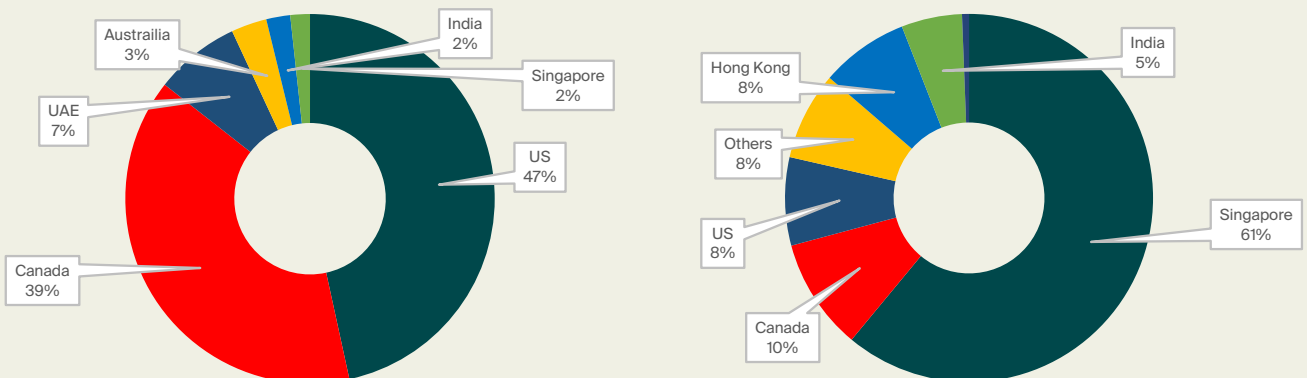
Source: Knight Frank Research, Venture Intelligence.

The office sector constituted 68% of all private equity investments during this period, followed by warehousing at 21% and residential at 11%. Mumbai, NCR and Bengaluru emerged as leading investment destinations for office investments in H1 2023. The outlook for PE investment in Indian office assets remains positive. The demand for office space is expected to continue growing in the coming years, while the supply of office space is anticipated to be limited. These factors should drive up rental rates and make Indian office assets appealing to PE investors.

In contrast to the first half of 2022, where most investments (86%) came from the US and Canada, only 18% of the investments in the first half of 2023 originated from these countries. Most investments (75%) came from Asian countries.

Since March 2022, the US Federal Reserve has implemented interest rate hikes on ten occasions, resulting in a 2.25 percentage point increase in rates, while the Central Bank of Canada has implemented nine such rate hikes, leading to a 2.75 percentage point increase in the overnight rate. As a result, current interest rates in the US and Canada stand at 5.25% and 4.75% respectively, almost double compared to the pre-pandemic period. The impact of increased capital costs, and growing concerns of recession has subdued investment activity from these countries.

H1 2023 witnessed a significant influx of investments from Asian investors.



Source: Knight Frank Research, Venture Intelligence.

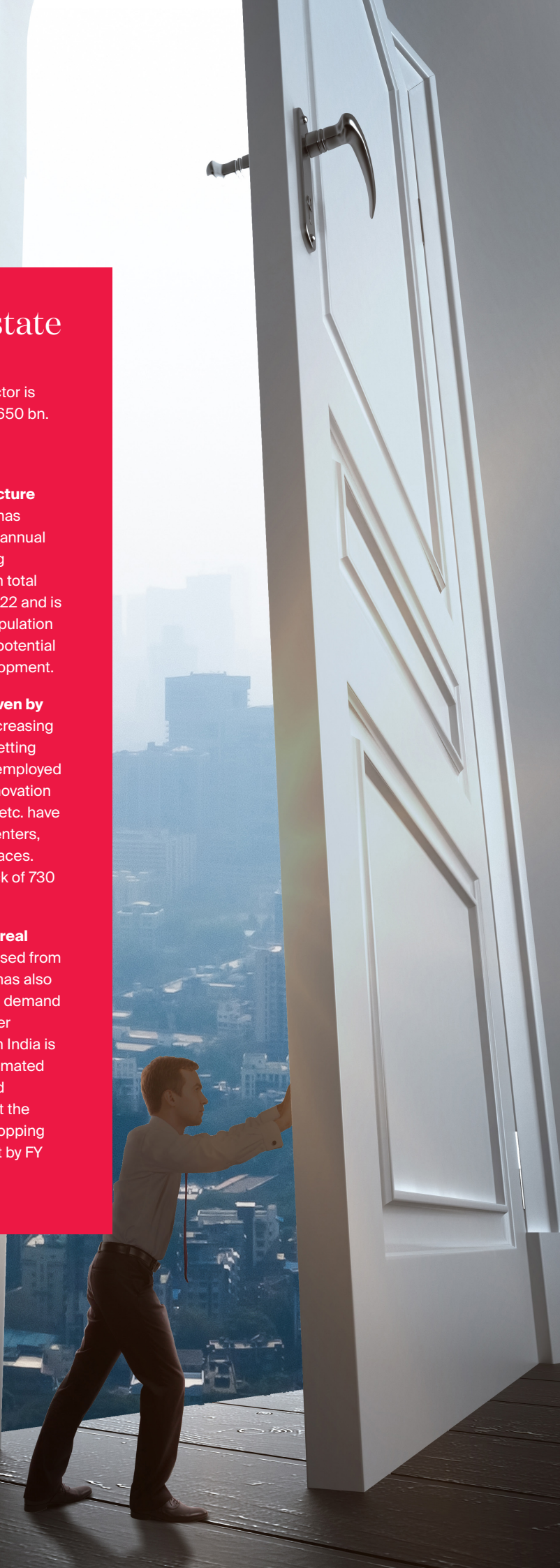
The Future of India's Real Estate

As per Knight Frank Research estimates, India's real estate sector is estimated to grow to USD 1 trn by 2030 from the existing USD 650 bn. Below are some of the key demand drivers;

- **Increasing population driving real estate and infrastructure demand:** As per World Bank estimates, India's population has increased from 1.2 bn in 2010 to 1.4 bn in 2022, an average annual growth of 1.1%. Supported by economic growth and growing employment opportunities, the share of urban population in total employment has increased from 30% in 2010 to 37% in 2022 and is further expected to increase to 40% by 2030. Thus, the population shift leading to massive urbanization has accentuated the potential demand for real estate and supporting infrastructure development.
- **Expansion in commercial and industrial real estate driven by rapid growth of IT/ITeS and manufacturing:** Driven by increasing economic activities, the job market in India is extensively getting formalized. In 2022, nearly 80 mn of active workforce was employed in the formal sector¹. Factors such as growing start-ups, innovation in technologies, expanding GCCs, India facing businesses etc. have necessitated the demand for skilled employees in urban centers, consequently driving the demand for commercial office spaces. Currently, the top 8 cities in India have occupied office stock of 730 mn sq ft².
- **Increasing consumerism to drive retail and hospitality real estate:** India's per capita gross national income has increased from INR 65,011 in FY 2010-11 to INR 113,144 in FY 2022-23. This has also increased the disposable income of consumers, propelling demand for retail, entertainment, and hospitality consumption. As per Knight Frank estimates, the organized retail sales volume in India is expected to grow to USD 136 bn in FY 2027-28 from an estimated USD 52 bn currently. This increases the scope of organized retail development in India such shopping malls. To support the increasing retail consumption, the gross leasing area of shopping malls in the top 8 cities is estimated to grow to 104 mn sq ft by FY 2028 from the existing 93 mn sq ft.

¹Economic Survey 2022-23

²India Real Estate: Residential and Office Market in H1 2023, Knight Frank India



Corporate Real Estate and Facilities Management

The growing complexity and requirements with respect to commercial real estate due to the recent times has accelerated the need for a multidimensional approach. Workplace experiencing sea changes keeping in view the end user's wellness and productivity. CREs and Property management groups have adopted innovations, various technologies, and standards to administer a workplace. The role of CRE widens in the organization as workplace dynamics evolve at rapid pace. The future of corporate real estate and workplace will primarily revolve around:

Environmental Social Governance – Marching for a Greener world

In the era of socially responsible investment practices prevailing across globe, Environment Social Governance (ESG) in Corporate Real Estate (CRE) is not an option anymore! Its need of the hour considering the business growth and corporate social responsibility. ESG and Sustainability are the key drivers for future workplace to achieve required objectives for end user experience. It not only enhances asset valuation, but also establishes sustainable operations for long term.

Diversity, Equity & Inclusion at Workplace - Catering to a Diverse Ecosystem.

In the world of social inclusivity and commitment to ESG policies there is a significant transformation in the outlook of DEI in Corporate real estate. Apart from enhancing efficiency in the workplace ecosystem, DEI policy is also considered to be a catalyst in widening the opportunities in talent acquisition. Corporates setting the targets for increasing the gender diversity ratio to achieve set targets and publishing their achievements in the corporate newsletters.

Automation and Digitization - Enhancing Efficiency & Productivity

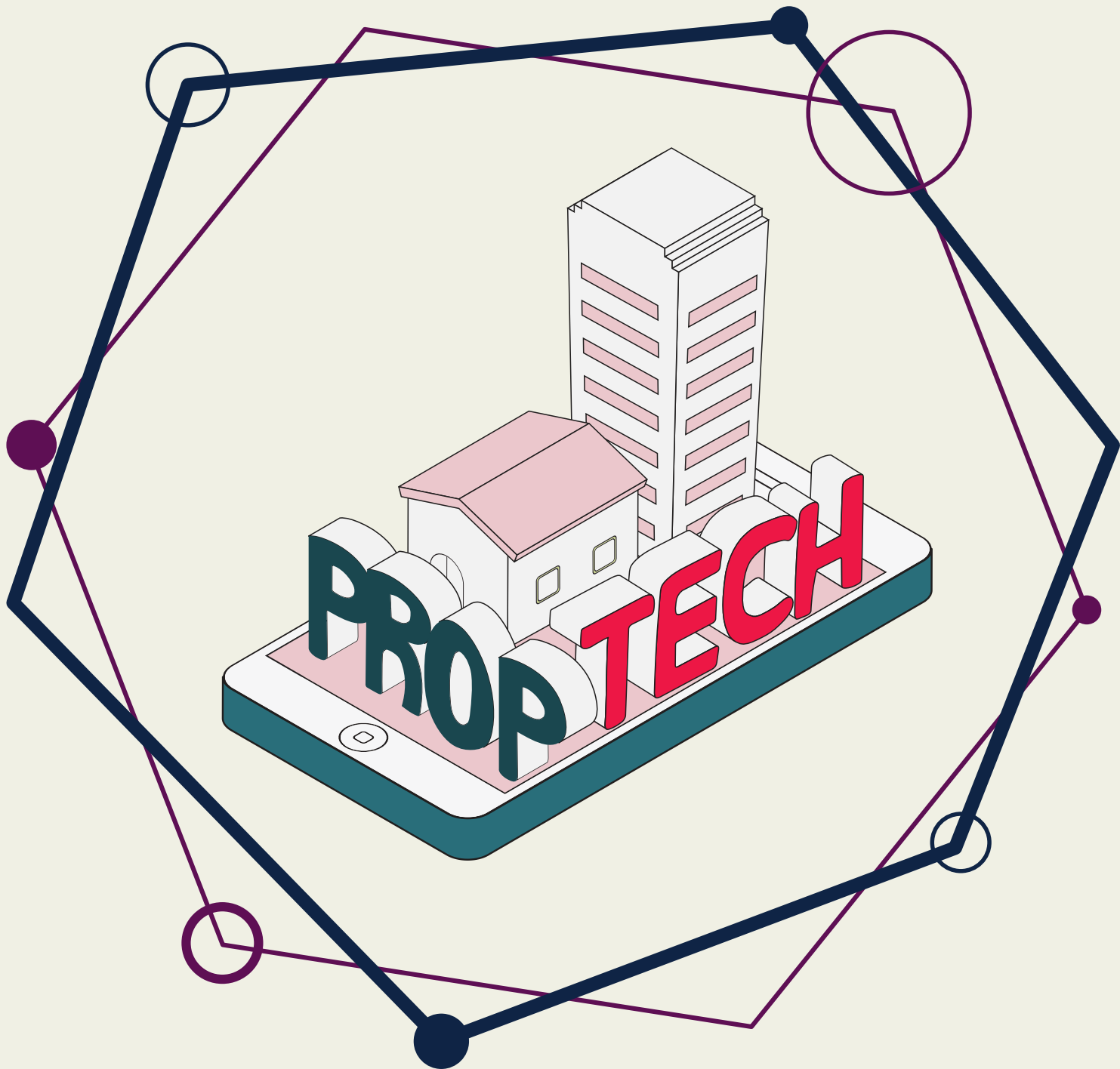
Need of Smart buildings gaining momentum keeping in view of enhancing workplace efficiency. Focus on automation and digitization has been from the design to delivery. Automation is not only used for increased workplace efficiency, but also to enhance end user convenience, safety, and security. Developers are aligning to the needs of occupiers and significantly adopting the digital solutions from the building's development to management. PropTech companies are mushrooming, but endeavour to bringing awareness in emerging trends shall continue.

Employee Wellbeing – Happiness, Health & Recreation at Workplace

Employee wellbeing has been a paramount importance, particularly post pandemic era considering its own complexities. There is a tectonic shift in CRE strategy with respect to future workplaces to ensure workplace wellness. Demand for buildings developed with WELL standards apart from green standards is increasing and CREs also focusing lot to incorporate wellness features in the workplace interior design.

Resolution to Supply Chain Disruption in Commercial Real Estate

Supply chain plays a significant role in any change management. Very vital to understand the challenges being faced and strategy around making the function more effective in meeting goals. Evolve supply chain planning and processes to reduce operational silos, respond to market disruptions, mitigate risk, and maintain business continuity. Supply chain playing an important role even in making workplace sustainable and in meeting the organizational environmental goals. Today the role of supply chain and its focus is not only on cost optimization & quality control but also the sustainability.



PropTech: Redefining technology in real estate

PropTech is one small part of a wider digital transformation in the property industry. It considers both the technological and mentality change of the real estate industry, and its consumers to our attitudes, movements and transactions involving both buildings and cities.

The current wave of Prop tech is driven by a range of new technologies available, such as artificial intelligence and big data, which has already disrupted other areas such as finance. The application of these new technologies is furthermore accelerated by social distancing requirements and regional lockdowns arising out of COVID-19 that have introduced changes in the way we are required to deal with real estate. There are currently many start-ups trying to target every segment of the property market chain, attempting to disrupt and improve how the current market players (developers, buyers, sellers, renters, investors, and real estate professionals) design, construct, market, discover, transact and operate real estate. These start-ups have been supported by seed funding and investment from a range of sources, including some specialist real estate technology venture capital funds.

Application of Prop Tech in Corporate Real Estate

Following are the top trends in Prop Tech that provide an overview of the industry and highlights the projects that can be the prospective game changers for the real estate industry.

Big Data.

Use of big data in real estate has observed an exponential growth in the past few years. It has enabled companies and individuals to take informed decisions with respect to investing, managing and operating based on data. It is being used by the real estate companies to extract and provide information on various aspects such as history of the property, ownership cost, current value, details of the neighbourhood, estimate of mortgage payment and estimated forecast of future valuation of the property to count a few. Big Data Multi-App Platforms with flagship modules dedicated to Commercial Real Estate (CRE) Asset Class are providing real time and data driven insights to asset managers and landlords to manage assets, deals, leases, Tenants over one single platform (web and mobile) across the entire value chain of CRE.

Blockchain.

Blockchain use can potentially revolutionize rental property payments by removing middlemen and reducing transaction cost. It can facilitate cost effectiveness and better decision-making in leasing processes with the use of a shared database, where an entire vertical of stakeholders including owners, tenants and service providers can interact with ownership information, or transaction history in an open and secure way. Real estate assets can be tokenized and made transferable with the use of blockchain. The introduction of smart contracts into real estate ledgers and transactions have the capability to restructure various processes such as transfers of ownership and documents. It enables governments to instantly verify online title deeds for a property in a secure and cost-effective way.

Building Information Modelling (BIM).

Building Information Modelling is a smart 3D model-based process that enables architects, engineers, and construction professionals to plan, design, construct, and manage buildings

and infrastructures efficiently and the information can be used throughout the life cycle of the property. This technology transforms a hand drawn sketch of a floor plan to a 3D BIM within seconds.

Construction Technology (ConTech).

Proceeding from an economically necessary view of the entire property life cycle, ConTech has the potential to automatically become the focus of interest. The global construction industry is booming and there is a need for technological advancement with the current explosion in construction cost. 3D concrete printing is driving this change in the Construction industry. These technological advancements will not only make the industry cost-effective but also sustainable.

Drone Technology.

The extraordinary aerial imagery of real estate that we can look at today has only been made possible through the use of drone technology. It can be used for everything starting from high rise office buildings to pre-eminent properties along the coast to sports stadiums to wildlife parks. It has helped agents in selling large estates by providing important information and property overview to the buyers. On the other hand, camera drones and its ground-based substitute, glide-cams, are being used to create indoor virtual tours and videos for both residential and commercial spaces. It enables effortless digital space capture for virtual tours, floor plan and wide-angle photography and improves the experience of property viewing for the buyers.

Geolocations.

Geolocation technology transforms simple maps into full sets of critical data about real estate and properties. It can not only pinpoint where buyers are in the traditional sales cycle by utilizing predictive analytic technologies but can also pinpoint their physical location. It enables real estate developers to make far



more accurate valuations based on economic strategies. Further, geolocation technology plays a very crucial role in real estate marketing and has the capacity to change how properties are marketed and traded. It enables to visualize property data, county maps, topography, flood zone maps, soils and more in order to analyse the value of land. It provides more accurate access to land parcel data that accelerates risk versus reward analysis for land acquisition, land use planning and land development and therefore enables smarter decision making.

Internet of Things (IoT).

In simple terms, IoT can be described as items and structures equipped with sensors that internet applications can read and can translate into usable digital data. IoT can improve both the real estate industry and individuals' everyday lives by its varied application from predictive maintenance to accelerated decision making to increased energy efficiency to count a few.

Sharing Economy.

The 'Sharing Economy', interchangeably used for the term 'Collaborative Consumption', represents an economic revolution built around an economic philosophy that space and capital goods are better shared. In the real estate industry, it has its application in nearly all domains including residential, hospitality, retail, storage and office spaces. Estimates suggest that there is a rise in the number of single households, and this has and will increase the demand for shared services, as it provides lower fixed cost for people involved. The sharp increase in the number of co-working spaces in the last few years is also indicative of the increase in the demand for shared services.

Sustainability and GreenTech.

The increasing concern for climate change and sustainable living is not alien to the real estate sector anymore. Efforts are made to incorporate technology that makes living more energy

efficient and sustainable. It would provide completely transparent windows, which generate data by sensing the environment and simultaneously convert sunlight into electricity. Also, develops retrofit solutions for large buildings that allow drastic cuts in energy consumption, as well as a significant improvement in internal comfort. The credit goes to innovative IoT hardware and powerful algorithms in the cloud to fine-tune energy usage that allows operational savings.

Virtual Reality (VR) and Augmented Reality (AR).

VR and AR applications in real estate have reduced the inconvenience of property viewing by multi-fold for all involved parties. A potential buyer is able to fully see a property from thousands of miles away or properties that haven't been constructed yet with the help of VR. On the other hand, AR could also allow an agent to amplify, or more closely describe parts of a home to the probable buyer. From property viewing and walk-through to augmented hoardings and property brochures, AR provides transparency, simplicity and beauty to the marketing and selling of property. It uses augmented reality for indoor navigation and enables 3D positioning, intuitive navigation and location-based AR content.



Facilities Management

In the Corporate Real Estate Cycle, Facilities Management or Asset Management is crucial stage or function once property is ready as it takes care of the corporate assets and services as custodians for long term. Management of space and infrastructure with high productivity and profitability has been the key objective in CRE. To achieve this objective, CRE operations should be lean, efficient, agile with enhanced experience. Key challenges in this industry are

- Increased work force cost resulting in higher operating expenses
- Dearth of required skill among work force
- Skill development program yielding limited outcome due to work force attrition
- Increased demands on cost optimization

Under this circumstance, it's imperative for the industry to think big and explore various opportunities to optimize manpower and enhance efficiency in the operations. Under these circumstances, it is imperative for the industry to think big and explore various opportunities to optimize manpower and enhance efficiency in the operations. Currently, the facility Management sector in India is fragmented and many facilities in India rely on in-house operations for their maintenance and building management processes. However, the business flow in facility management sector is expected to grow from the industrial, and commercial sectors which are looking to outsource to reliable facility management vendors as it helps them to maintain their primary focus on their core business activities.

The increasing demand for office space in the country is one of the key factors which is driving the Facility Management market. So far in 2023, i.e. between January – September 2023, 42.3 mn sq ft of office leasing volume was registered across top 8 cities in India, an 8% growth compared to the corresponding period in 2022. This is further expected to significantly grow in the coming years supported by factors such as – formalization of the economy, and growing demand for office spaces emerging from IT/ITeS, GCCs etc. Thus, the growing volume of office leasing is expected to drive demand for Facility Management. Additionally, the growth of flexible workplaces in the country is on the rise, as the feasibility and cost-effective nature of co-working spaces are attracting small and medium-sized organizations.

Residential sector as well is one of the key enablers of facility management services in India. Post COVID-19 pandemic despite the rise in residential prices and the interest rate hikes by the Reserve bank India (RBI) which has tightened the borrowing costs, the demand for residential market has continues to remain strong. Between January-September 2023, 2.4 lakh residential units were sold across top 8 cities in India, a growth of 3% when compared to the corresponding period in 2022. Additionally, the increasing shift towards greener environment aiming at net-zero carbon emission, sustainable and energy-efficient buildings is anticipated to drive facility management market.





ESG in Facilities Management – Driver for excellence

The application of environmental, social, and governance factors and risk management strategy in Facilities Management is relatively new. The idea first arose in the early 2000s when investors began to think about how non-financial factors could influence return on investment, with facilities facing increasing pressure in recent years to implement sustainable initiatives. This has quickly given rise to the demand for ESG reports on corporate responsibility. Facilities Managers that wish to keep their organizations ahead of the game need to understand how ESG in facilities management illuminates the path to success in smart building management.

Considering ESG in Facilities Management might seem like an added burden and expense. It requires Facilities Managers to carefully consider how their actions and activities affect the environment, consumers, and oversight agencies. Oversight depends on the type of agency, but the Department of Energy stands out as perhaps the most significant oversight agency concerning Facilities Management. Of course, the Environmental Protection Agency also plays a role in the oversight of buildings across regions. Now, the current administration has taken great strides to reduce the impact of regulations on the economy, but Facilities Managers must not grow accustomed to a perception that regulations are on their way out. Unfortunately, failure to consider ESG will inevitably lead to higher operating expenses, if not the assessment of fines and penalties by the government. However, today, investors and consumers actively look for sustainable real estate, and this principle means companies that do not implement sustainable practices will see a reduction in both investments and business growth. It allows Facilities Managers to communicate performance to stakeholders using advanced dashboarding and record-keeping tools. Data about the environment and how existing activities influence it continuously improves operations, and it all aligns an organization with an overarching concept of social and environmental responsibility. Furthermore, the use of technology such as Big data analytics, wireless sensors, and other advancements are necessary to collect and manage data relevant for ESG analysis. The same resources can be applied to reduce the operating expenses for business, providing a push to an organization's profitability and energy efficiency.

Green Horizon: Crafting a Sustainable Future with Net-Zero



Our focus will be on sustainable materials, tools and processes that will have a direct impact on end – user perception presenting the local environment and supporting communities.

Sathish Rajendren

Senior Executive Director, Facilities & Asset Management, Knight Frank India

The Importance of Net-Zero Emissions

In an era where the planet's health is inextricably linked to our own, the concept of achieving net-zero carbon emissions has risen as a beacon of hope in the battle against climate change. Net-zero emissions signify a state where the greenhouse gases released into the atmosphere are offset by various activities, marking a pivotal point in halting global warming, particularly for carbon dioxide (CO₂). This initiative addresses the escalating consequences of global warming by utilizing innovative techniques like carbon sequestration to balance atmospheric carbon levels.

As climate change increasingly affects human lives, achieving net-zero carbon emissions has become imperative. Also known as Net Plus, Net Zero embodies a self-sustaining concept for organizations, industries, and buildings, focusing on balancing on-site supply and demand across water, waste, and energy.

Achieving Net Zero in Water, Waste, Energy, and Carbon

To achieve Net-Zero Water, innovative methods like recycling water through sewage treatment are employed for flushing, industrial processes, and horticulture. Rainwater harvesting recharges groundwater with stormwater, further reducing our ecological footprint.

Net-Zero Waste involves source segregation, recycling, and reuse to prevent waste from reaching landfills. This approach not only reduces environmental impact but also conserves valuable resources.

Net-Zero Energy is a crucial aspect of the net-zero equation. It efficiently generates energy, often from renewables, while incorporating energy-efficient measures to reduce consumption. This is a vital step toward curbing emissions from the energy sector, which is responsible for a significant portion of global emissions. A Net-Zero Carbon building or industry operates with minimal carbon emissions. Any remaining emissions are offset through processes like carbon absorption by oceans and forests, underlining the importance of nature-based solutions in our battle against climate change.

Global Net-Zero Efforts

Transitioning to a net-zero world necessitates a fundamental transformation in production, consumption, and transportation. The energy sector, responsible for most emissions, plays a pivotal role in averting climate change's dire consequences. Globally, over 70 countries, including major emitters like China, the United States, and the European Union, commit to achieving net-zero emissions. Thousands of businesses, educational institutions, cities, and financial institutions collaborate to reduce emissions.

Urgency surrounds achieving net-zero emissions to limit global temperature increases to 1.5°C above pre-industrial levels, crucial for averting climate change's worst effects. Earth is currently 1.1°C warmer than the late 1800s, necessitating a 45% emissions reduction by 2030 and reaching net-zero emissions by 2050, in alignment with the Paris Agreement.

India's Commitment to Net-Zero

India has set the target as 2070 for achieving Net Zero, leading to bring G20 nations together for a firm commitment on mitigation of climate change. Sustainable growth was the key agenda in the G20 summit in India.

In India, the surge in electric vehicles (EVs) is critical for achieving net-zero emissions. Government incentives, including subsidies, encourage EV adoption. Electrifying the vehicle fleet, especially in transport, is essential, requiring EV infrastructure, renewable-powered charging stations, last-mile connectivity, awareness, and behavioural changes.

Innovative Solutions for EV Adoption

Innovative business models like battery leasing and rental make EVs more accessible. Continuous improvements in EV technology and cost competitiveness will drive adoption, ensuring that India plays a significant role in global emissions reduction.

Building Foundations - Creating a better world for our People, Place and Planet

Sustainability for our clients

Our aim is to be your ESG real estate partner to provide clear, transparent insights, advice and solutions to support your ESG strategies and help you become more sustainable now and in the future. Our advisors, agents and consultants are already working with investors, occupiers, developers and lenders to ensure they know what is happening in the market. ESG is integral to all our services, at all stages of the building lifecycle. This includes: geospatial mapping and site selection, planning, design and development, leasing, operation and management, refurbishment and eventual demolition or repurposing; with valuation, investment, carbon reduction/offsetting and capital advisory services throughout. Understanding that your ESG requirements will differ depending on your real estate and strategy, our award-winning Energy, Sustainability and Natural Resources team brings together a wide range of specialist ESG expertise combining renewable energy, regulatory compliance, valuation and investment advice and much more. We are committed to giving clear, practical advice on what you can do now to be more sustainable, as well as ensuring the right focus for the future. We will work to develop clear ESG real estate strategies and advise you on the practical application of ESG across the lifecycle of your building.

Sustainability within Knight Frank

As a firm, we are committed to operating business driven by ESG and implementing it at the core of everything we do. That is why we have created our ESG Taskforce to lead efforts in this area, to ensure we are always at the forefront driving this agenda. Our efforts as an employer and contributor to the real estate industry are guided through our 'People, Place, Planet' ethos, where we focus on supporting our people fully; giving back to communities who support us; and caring for our planet by adhering to sustainable business practices. At the heart of our ESG focus is our Building Foundations programme (Knight Frank's responsible business programme). Building Foundations is built upon three pillars – People, Place and Planet – and as a firm we have made ambitious commitments in all of these areas for 2021 and beyond. Some of our commitments for sustainability include:

Reduce our reliance on single-use products, becoming plastic-free by 2021.

- Reduce paper by 50% by the end of 2021.
- Achieve Net Zero Carbon status by 2030 A number of technological and cooperative solutions have been put in place to reduce environmental impact across the business.

These include:

- In UK, we have ISO 14001:2015 and have held this since 2007
- In Australia we are on-track to achieve B Corp Certification in 2H 2021
- All the paper we procure is FSC certified, and we have FSC chain of custody certification for our internal print functions.
- Each of our offices has an Environmental Champion who is

responsible for monitoring office waste and energy usage as well as retaining documents to evidence statutory compliance. All of this is recorded on a dedicated workspace and converted into performance targets.

- We have two yearly environmental objectives. To compliment these each office is asked to set their own contributing objectives.
- We have committed to become a plastic free business, having launched a Plastic Free Planet Campaign in April 2019. Best known for the water bottles that were given to all staff but with the aim of removing single use plastic, reducing reliance on plastic products and responsible disposal.
- We have streamlined and swapped out numerous stationery items with greener alternatives being either recyclable, made of a higher % recycled material content or are re-usable.
- We maintain an internal audit program assessing each office every two years.

Knight Frank has been developing and improving our Building Foundations year on year. Accountable to the Group Board we have a steering group responsible for progressing initiatives and setting the direction of our programme.



About RICS:

Confidence through professional standards RICS promotes and enforces the highest professional qualifications and standards in the valuation, development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards - bringing confidence to markets and effecting positive change in the built and natural environments.

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About Knight Frank:

Knight Frank LLP is a leading independent, global property consultancy. Headquartered in London, Knight Frank has more than 25,000 people operating from over 604 offices across 58 markets. The Group advises clients ranging from individual owners and buyers to major developers, investors, and corporate tenants. For further information about the Company, please visit www.knightfrank.com

Knight Frank India is headquartered in Mumbai and has more than 1,500 experts across Bangalore, Delhi, Pune, Hyderabad, Chennai, Kolkata, and Ahmedabad. Backed by strong research and analytics, our experts offer a comprehensive range of real estate services across advisory, valuation and consulting, transactions (residential, commercial, retail, hospitality, land & capital), facilities management, and project management. For more information, visit www.knightfrank.co.in

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