



ECSP's ESG Webinar Series

5 KEY TAKEAWAYS

Sustainable Finance: The EU Taxonomy and its impact on the real estate sector

The European Union is creating a classification system for all sustainable activities to help direct all future investments to tackle climate change whilst also supporting Europe's broader economic recovery and green transition. EU Taxonomy regulation is the first framework of its kind globally. Its emerging sustainable finance package is having a critical role in the future identification of future economic activities and the investments needed to support them.

On 17 March 2022, ECSP hosted a webinar to clarify and discuss how EU Taxonomy and its sustainable finance proposals will impact the real estate sector and what it should be preparing for.

1. **An impact on every level:** What initially only focused on finance specific issues has now grown to encompass broader economic activity, impacting both listed and non-listed companies in all sectors.
2. **Putting the 'G' in ESG:** Sustainable finance is expanding and focussing on new and even more complex areas beyond the environmental aspect, to help drive the governance elements of ESG.
3. **A go-to guide for investors:** The EU Taxonomy aims to classify which economic activities are sustainable for investment purposes. Companies with activities that align with the classification system will therefore attract more investment – and those that move first will be at a competitive advantage. Conversely there is an acute commercial risk for those businesses that do not align. They will increasingly find it difficult to divest assets and to access funding and financing.
4. **Reputational impact:** Growing public pressure and investor scrutiny creates significant reputational risks if companies fail to comply.
5. **Its already happening:** Sustainable finance is not something on the horizon. Its already having an impact on business models and increasing operational costs. Staying informed and preparing for future changes is fundamental to ongoing commercial success.

Please find a link to watch the webinar again [here](#).

ABOUT ECSP

The European Council of Shopping Places provides a European voice for an industry that designs, creates, funds, develops, builds and manages places anchored by retail across Europe. Its members are a catalyst for sustainable urban regeneration and represent an important civic function in virtually every European community. For more information, please visit

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