



Methodology for the EPRA BPR Awards

2024

Deloitte.





SECTION 1: CONCEPT

The [EPRA Best Practices Recommendations \(BPR\) Guidelines](#) have overtime become a cornerstone of any property company's financial disclosures and have been the main driving force behind the significant increase in the transparency of the European listed sector.

Despite the industry's broad adoption of the BPR over the past decade, there has always been a strong focus on areas for improvement.

The purpose of this updated methodology is not only to further increase awareness of EPRA's BPRs, but also to encourage companies to recognize and promote consistency as well as transparency in financial reporting. EPRA's BPR framework provides visibility and comparability to industry stakeholders in addition to being highly appreciated by the investment community.

The updated methodology will be applied for the first time for the 2025 BPR Awards assessment, where the annual reports with a fiscal year-end between April 30, 2024 and March 31, 2025 inclusive will be reviewed. The list of participating companies will be determined based on EPRA's membership as of March 31, 2025.

The 2025 BPR Awards assessment will, primarily, measure how the industry has complied with the disclosure requirements of the September 2024 EPRA BPR Guidelines¹, which introduced the updated EPRA Earnings.

This document, which is supported by the [new methodology FAQ](#), sets out the main ground rules for the methodology to be used for deciding the EPRA BPR Award winners for the years of 2025 and beyond.

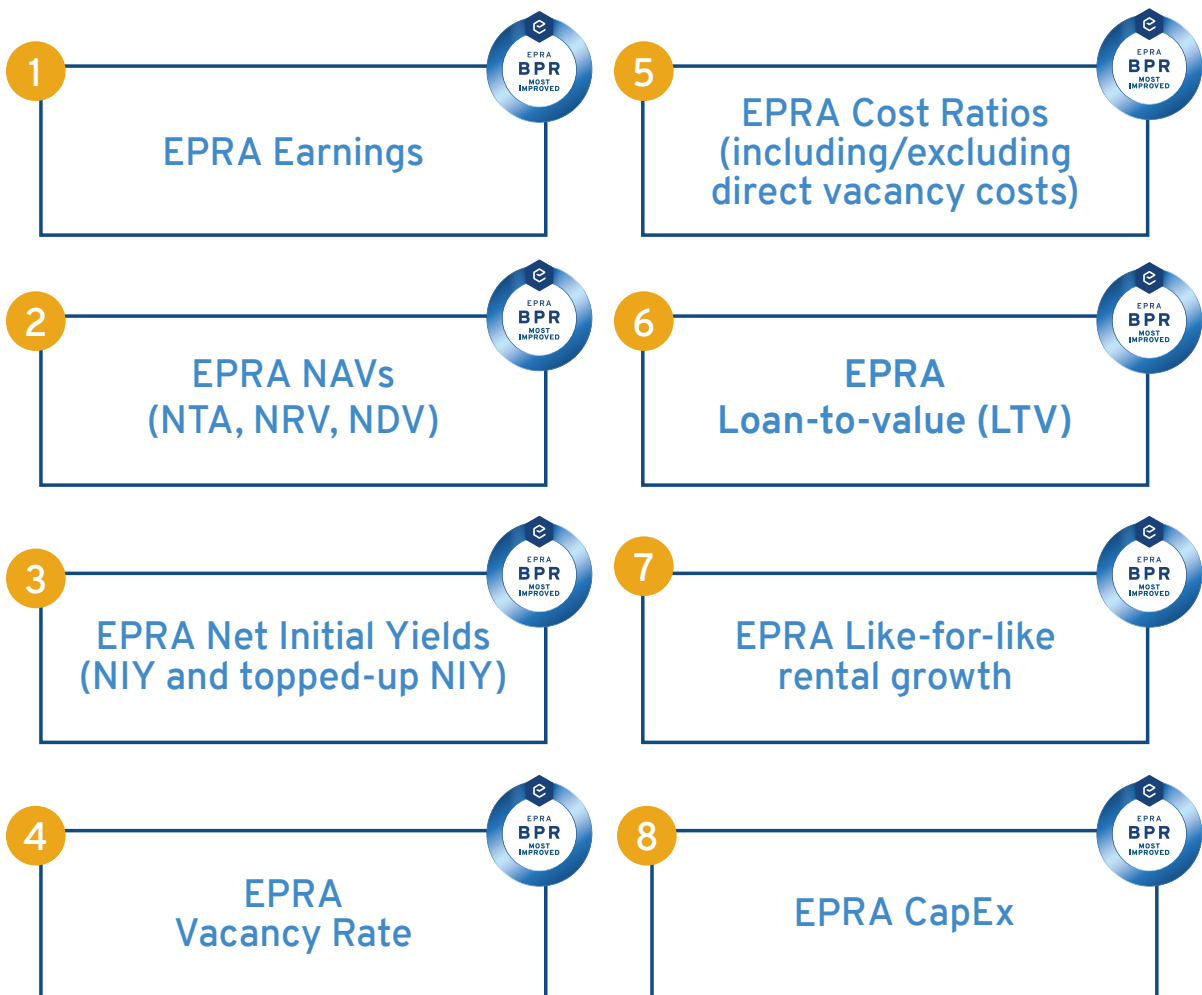
1. The September 2024 BPR Guidelines are applicable for the next annual reporting period starting after the publication of these guidelines (01/10/2024).

SECTION 2: BPR AWARDS

EPRA’s BPR Guidelines include specific additional disclosures for real estate companies within the scope of the IFRS, while the survey’s questionnaire contains around 100 questions connected to non-GAAP financial reporting. Several of those questions are not scored and used only for statistical functions. Since the inception of the survey, the following EPRA BPR disclosure elements are being scored.

- General Recommendations: review the language of financial reporting and general compliance with the EPRA BPR summary tables’ disclosure.
- EPRA Performance Measures (PMs): detailed assessment of the EPRA Earnings, EPRA NAVs, EPRA NIYs, EPRA Vacancy Rate, EPRA Cost Ratios, EPRA LTV, EPRA like-for-like rental growth and EPRA capital expenditure – 8 in total.

For the purposes of the survey, emphasis is placed on the following seven performance measures:



Based on the survey from the annual reports, companies are identified for Gold, Silver or Bronze Awards.



GOLD AWARD

Exceptional compliance with the BPR Guidelines. Scoring above 80%. Six Performance Measures disclosed, along with their underlying calculations and including all variations of each Performance Measure.



SILVER AWARD

High compliance with the BPR Guidelines. Scoring between 80% and 60%. Five Performance Measures disclosed, along with their underlying calculations and including all variations of each Performance Measure.



BRONZE AWARD

Based on the BPR Guidelines. Scoring between 60% and 50%. At least three Performance Measures disclosed, along with their underlying calculations and including all variations of each Performance Measure.



MOST IMPROVED AWARD

Granted to companies that have outstandingly improved the compliance of their reporting with the BPR Guidelines, demonstrated by a 30 percentage points YoY increase in their score in comparison to the previous year.

A separate award is granted to companies that have outstandingly improved their scoring

SECTION 3: PARTICIPANT SELECTION

The list of participants for the 2025 EPRA BPR survey will be based on EPRA membership as of March 31, 2025, irrespective of a company's geographical region³.

SECTION 4: METHODOLOGY

A. Zero-scoring policy

The zero-scoring concept is applicable to all eight EPRA Performance Measures. Under this approach, not disclosing a BPR's underlying calculation will result in a zero score for that BPR.

It is recommended that the calculation of the BPR is shown in compliance with the schedules outlined in the BPR Guidelines. A company may also choose a different presentation format, however it must ensure that all variables relevant to the BPR's calculation are reported and reconciled accordingly.

B. Disclosure of all BPR's variations

All BPR's variations must be disclosed, along with the underlying calculation for each BPR's variation, in order to be allocated any points for that BPR. If this does not apply, then those BPRs would be considered as not disclosed and, hence, no points would be granted.

C. Joint-scoring policy

The joint-scoring concept was introduced for those Performance Measures for which there are several variations, such as the three EPRA NAVs (NRV, NTA, NDV), the two Net Initial Yields (NIY and topped-up NIY) and the two Cost Ratios (including and excluding direct vacancy costs).

In order to be awarded any points for those BPRs, the company must disclose all BPRs' different variations and include the underlying calculation for each BPR's variation, with no exceptions. This would result in full compliance with the BPR's main disclosure requirements.

However, if only one variation of the BPR has been disclosed, or if the underlying calculation has not been provided for one of the BPR's variations, then, under joint-scoring, this would result in zero compliance with the disclosure requirements of the BPR, meaning that no points would be granted (i.e. the combined score for all BPR's variations will become zero, please refer to section 5 below).

D. Gold Award eligibility

Only those companies which have demonstrated full compliance with the three aforementioned rules (points A to C above) would be eligible for the Gold Award.

To be eligible for the Gold Award, a company must comply with all following conditions:

- Achieve a total score above 80%;
- Disclose minimum six Performance Measures (PMs), including all variations for each PM;
- Disclose the underlying calculations for each of the six Performance Measure, including the underlying calculation for all variations of each PM;
- Comply with the zero-scoring and joint-scoring policy in full and with no exceptions.

3. EPRA members that are considered as Developers are excluded from the scope of the survey as most EPRA BPRs are not applicable for those companies.

SECTION 5: COMPLIANCE WITH BPR'S DISCLOSURE REQUIREMENTS

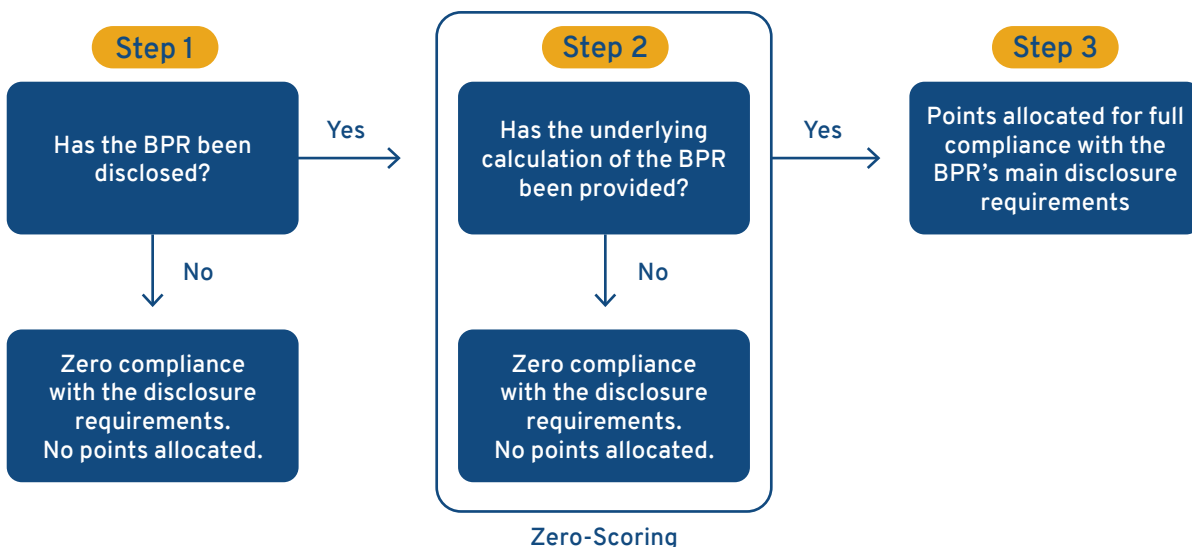
A company must demonstrate full compliance with a Performance Measure's main disclosure requirements and the revised rules to be awarded any points. In the event where partial or no compliance is observed, then no points would be granted (i.e. zero compliance).

In effect, the following rules would apply to determine whether full compliance or zero compliance with the primary disclosure requirements has been observed. The procedure followed would depend on the nature of the EPRA Performance Measure (BPR) and whether the BPR has several variations or not.

A. Only one BPR variation (where applicable)

For those EPRA Performance Measures for which there is only one variation (e.g. EPRA Earnings/EPS, Vacancy Rate and EPRA LTV), full compliance with the primary disclosure requirements and points' allocation for the purposes of the survey will be determined as follows:

- (1). As a first step, the company must disclose the EPRA BPR.
- (2). As a second step, the BPR's disclosure must be accompanied with its underlying calculation.
- (3). If both above conditions are met (points 1 and 2), then this would result in full compliance with the BPR's main disclosure requirements, meaning that points will be allocated.
- (4). If any of the above conditions are not met (point 1 or 2), then this would result in zero compliance with the BPR's disclosure requirements, meaning that the company will not receive any points for this Performance Measure (i.e. zero scoring).
- (5). In case point 4 applies (i.e. zero compliance), then this would also mean that the company would not be eligible to qualify for the Gold Award.

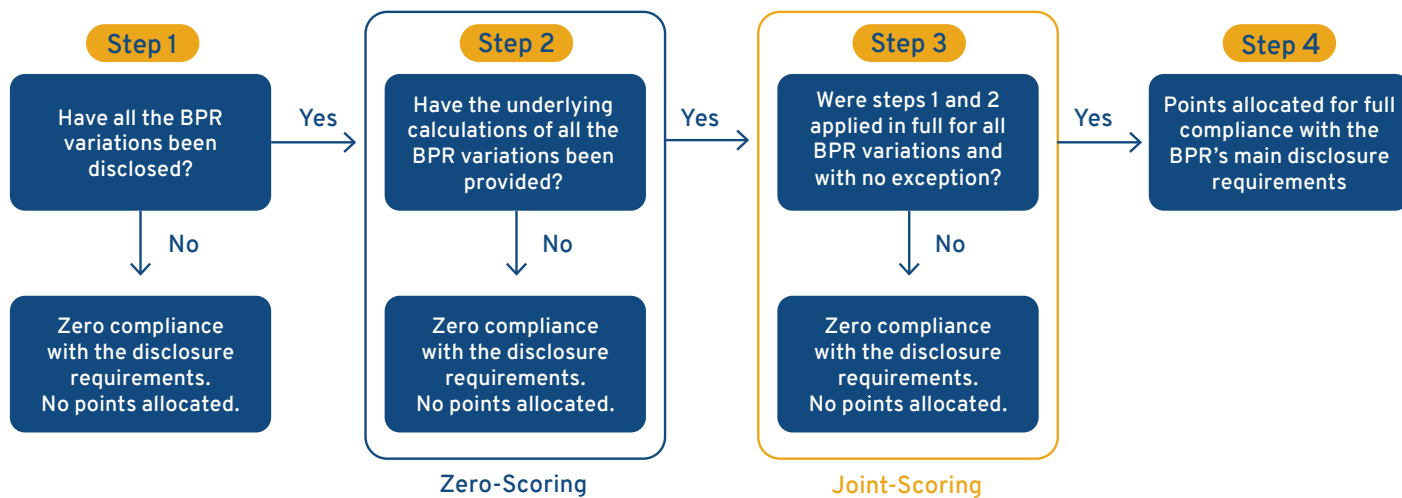


For specific compliance examples, see the updated methodology [FAQ document](#).

B. Several BPR variations

For those EPRA Performance Measures for which there are several variations (e.g. three NAV metrics – NRV, NTA, NDV; Two Net Initial Yields - NIY & topped-up NIY; two Cost Ratios – including & excluding direct vacancy costs), full compliance with the primary disclosure requirements and points’ allocation for the purposes of the survey will be determined as follows:

- (1). As a first step, the company must disclose all variations of the EPRA BPR.
- (2). As a second step, all variations of the BPR must be accompanied with their underlying calculations.
- (3). As a third step, all BPR’s variations will be scored jointly, meaning that the above points (1 and 2) must be applied in full for all BPR’s variations and with no exceptions (i.e. no partial compliance).
- (4). If all three above conditions are met (points 1 to 3), then this would result in full compliance with the BPR’s main disclosure requirements, meaning that points will be allocated.
- (5). If any of the above conditions are not met (point 1 or 2 or 3), then this would result in zero compliance with the BPR’s disclosure requirements, meaning that the company will not receive any points for this BPR - i.e. zero and joint-scoring applies, resulting in the combined score for all BPR’s variations to become zero.
- (6). In case point 5 applies (i.e. zero compliance), then this would also mean that the company would not be eligible to qualify for the Gold Award.



For specific compliance examples, see the updated methodology [FAQ document](#).

SECTION 6: UPDATED METHODOLOGY: KEY CHANGES

There will be no changes on the General Recommendations or the BPRs in general, however, the new methodology will affect how the EPRA Performance Measures (BPRs) will be scored and assessed, starting from the 2025 BPR Awards and beyond.

A. Name change

Previously, there was a distinction between the Performance Measures (EPRA Earnings, NAVs, NIYs, Vacancy Rate, Cost Ratios and LTV) and the Core Recommendations (EPRA like-for-like rental growth and EPRA CapEx disclosures). From now on, they will all be called Performance Measures.

B. Zero-line items

A company must disclose the full BPR table as stated in the BPR Guidelines in order to receive points. However, this update allows companies to remove zero-line items in a BPR calculation table for clarity/efficiency purposes. The unique condition is that companies should provide a statement below the BPR table why they remove those zero-line items. A zero-line item refers to any adjustment in any of the BPR tables that is non-applicable and therefore corresponds to 0.

C. Inclusion of EPRA LTV

Since the release of the previous BPR Methodology Guidelines (2021), EPRA has launched a new BPR: the EPRA LTV. Please refer to the EPRA BPR Guidelines for a detailed description of the BPR.

D. Scoring allocation

The Scoring has been rounded up to a 100 for clarity purposes. Please refer to Section 7.5 for the total scoring and complete allocation.

SECTION 7: REVIEW PROCESS

1

A detailed primary review of annual reports is initiated by Deloitte Real Estate assurance teams (seven countries involved: Belgium, France, Germany, The Netherlands, Spain, Sweden, United Kingdom) towards the end of second quarter of the year.

- The survey is conducted with a questionnaire based directly on EPRA BPR guidelines.
- Consistency across each of the companies surveyed is ensured through regular Q&A sessions.
- A secondary review is performed by Deloitte RE specialists focusing on key measures and areas of judgement.
- Companies are ranked according to their questionnaire score.
- Based on the results and after a moderation process, companies are identified for Gold, Silver or Bronze awards, along with the Most Improved award winners.
- Review of the results by EPRA to determine final allocation of awards.

2

The questionnaire is organized following the BPR guidance and addresses:

- EPRA BPR – general recommendations
- EPRA Performance Measures: detailed assessment of the EPRA Earnings, EPRA NAVs, EPRA NIYs, EPRA Vacancy Rate, EPRA Cost Ratios, EPRA LTV, EPRA like-for-like rental growth and EPRA capital expenditure.

The questionnaire contains 100 questions; included in the survey are several non-scored questions that are used for statistical purposes.

Where applicable, Deloitte client engagement teams are excluded from the review of the relevant company annual reports to ensure that objectivity is maintained.

3

Extract of the questionnaire related to EPRA Earnings

EPRA Earnings (3.1, EPRA BPR Guidelines)

Company name	Has the company disclosed EPRA earnings?	Has the company disclosed EPRA earnings per share?	Is a reconciliation between IFRS earnings and EPRA earnings given?
	✓ ✗ YES/NO	✓ ✗ YES/NO	✓ ✗ YES/NO

4

Extract of the questionnaire related to EPRA Like-for-Like rental growth

EPRA Like-for-Like rental growth reporting (4.5, EPRA BPR Guidelines)

LfL net rental growth compares the growth of the NRI of the portfolio that has been consistently in operation, and not under development, during the 2 full preceding periods that are described. For example, 2022 LfL income growth thus compares the NRI of the stabilised portfolio with exactly the same portfolio in 2021.

Company name	Does the company disclose like-for-like rental growth? ✓ ✗ YES/NO	LFL growth for each significant sector of the portfolio ✓ ✗ YES/NO	LFL growth for each geographical business segment ✓ ✗ YES/NO	Does the company disclose basis and assumptions underlying the like-for-like information ✓ ✗ YES/NO
	LFL growth in absolute amounts ✓ ✗ YES/NO	LFL growth on a percentage basis ✓ ✗ YES/NO	Size, in value, of the total portfolio on which LFL growth is based ✓ ✗ YES/NO	

5

Scoring

a) Allocation of points for EPRA BPRs

Scoring balanced between all BPRs. All variations of the PMs, along with their underlying calculations and including all variations of each Performance Measure, must be disclosed to be allocated any points. If this does not apply, then that BPR would be considered as not disclosed and, hence, no points will be allocated. For more details on the scoring criteria, see sections 4 and 5 of this document as well as questions 6-7 in the [FAQ document](#).

b) Allocation of points for the Eight Performance Measures

1. EPRA Earnings	12	
2. EPRA Net Asset Value Metrics - Net Reinstatement Value (NRV) - Net Tangible Assets (NTA) - Net Disposable Value (NDV)	} Scored jointly 18	
3. EPRA Net initial Yields (NIY) - NIY - Topped-up NIY		} Scored jointly 12
4. EPRA Vacancy Rate		
5. EPRA Cost Ratios (CR) - CR including vacancy costs - CR excluding vacancy costs	} Scored jointly 12	
6. EPRA LTV		12
7. EPRA Like-for-like rental growth	12	
8. EPRA CapEx	8	
9. General recommendations	4	
TOTAL POINTS	100	

6

Secondary review and moderation process

A secondary review is performed by Deloitte RE specialists focusing on key measures and areas of judgement.

Local managers review the completed questionnaires before sending them to the coordination office. Attention is particularly paid on:

- Completeness of the questionnaire
- Changes compared to last year

Once the ranking of companies is obtained, the results go through a moderation process to make sure that the proposed awards are not only based on the global scoring. Any changes of awards compared to the previous year have to be explained by true improvement, or by the fact the company has released less information.

7

BPR Awards Publication

The results of the review and the Award winners are presented by Deloitte at the EPRA Annual Conference during EPRA R&A Committee meeting in September, together with key findings of the survey.





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