



ESG in Pratica: Approfondimento su KPI Social e Metodologie di Misurazione

Come WELL supporta la divulgazione della sostenibilità e la finanza sostenibile

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Introduction



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Webcast Agenda

1. Misurare la sostenibilità
2. Finanza sostenibile
3. L'impatto della sostenibilità sociale sulle società italiane
4. Quanto WELL può essere utile

A close-up photograph of a woman's eye peering through the green, layered leaves of a plant. The eye is light-colored and looking directly at the viewer. The leaves are vibrant green and have a textured, layered appearance.

Misurare la sostenibilità

1

Sustainability Frameworks

Legislation & Regulations: Regional governments; stock exchanges, security and exchange commissions

International Principles: United Nations - SDGs, international and regional industry associations

Standard Setters: GRI, GRESB, TCFD, CDP, SASB, ISSB

Indexes & Ratings: MSCI, S&P, FTSE Russel, Bloomberg, Moody's

Sustainable Finance and Sustainability Reporting in EMEA



The **European Commission** sets out the Sustainable Finance Disclosure Regulation (**SFDR**) and the Corporate Sustainability Reporting Directive (**CSRD**).

South Africa's Green Finance Taxonomy was released in 2022.



The **UK's Green Taxonomy** is under development and the Task Force on Climate-Related Financial Disclosures (**TCFD**) reporting is mandatory for large companies in the UK.

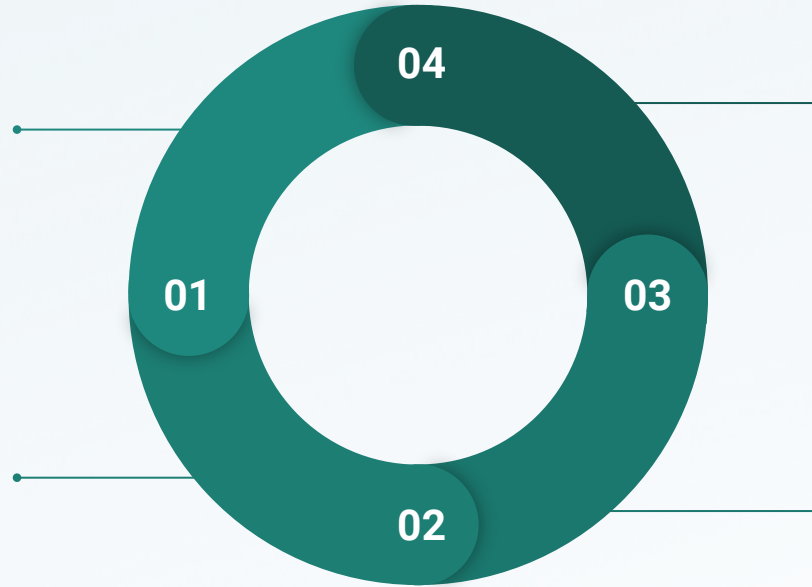
Key EU Sustainability Regulations

EU Taxonomy

A common classification system for sustainable economic activities, projects, and investments

Sustainable Finance Disclosure Regulation (SFDR)

Regulates investment management sustainability reporting in the EU



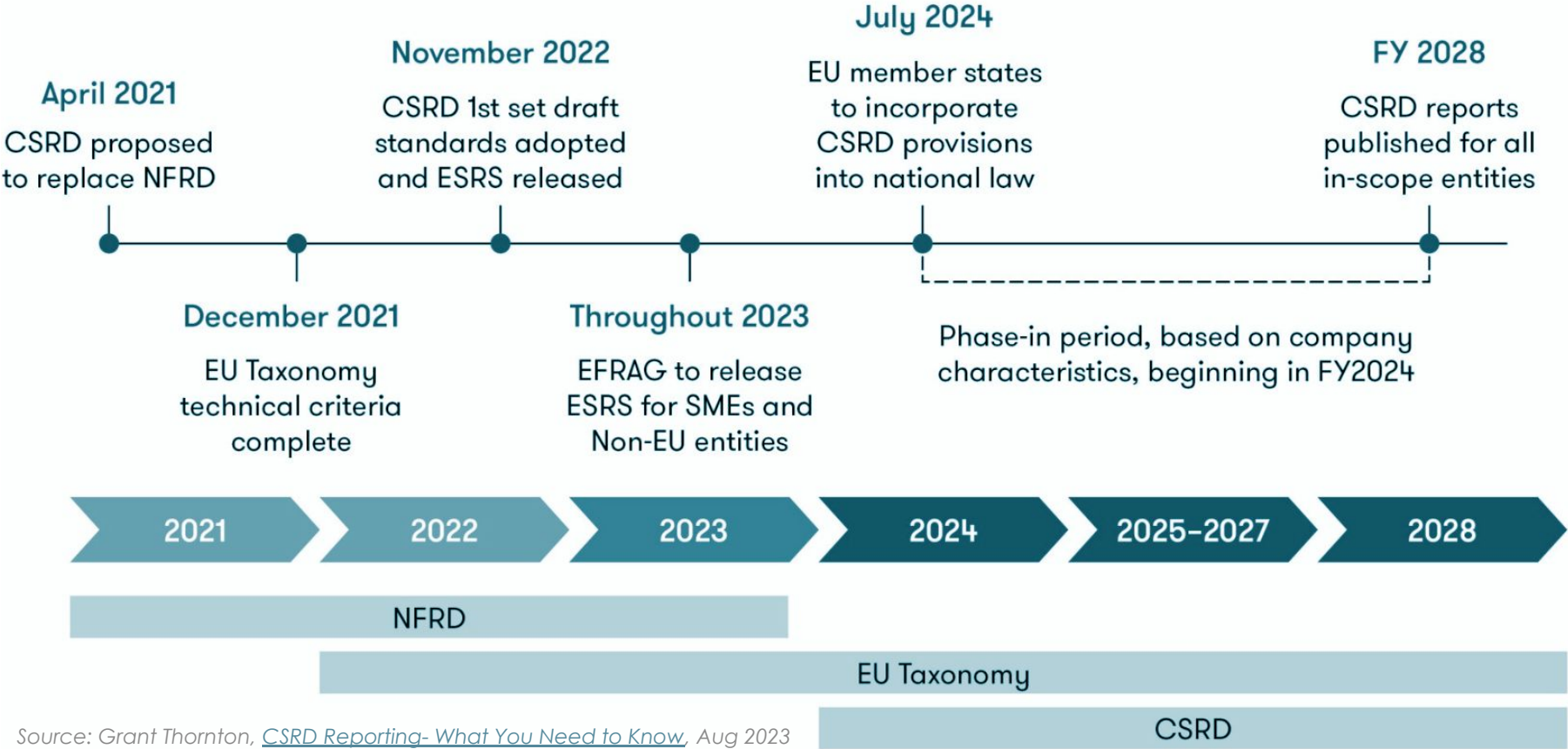
Corporate Sustainability Reporting Directive (CSRD)

Regulates corporate sustainability reporting in the EU

Corporate Sustainability Due Diligence Directive (CSDDD)

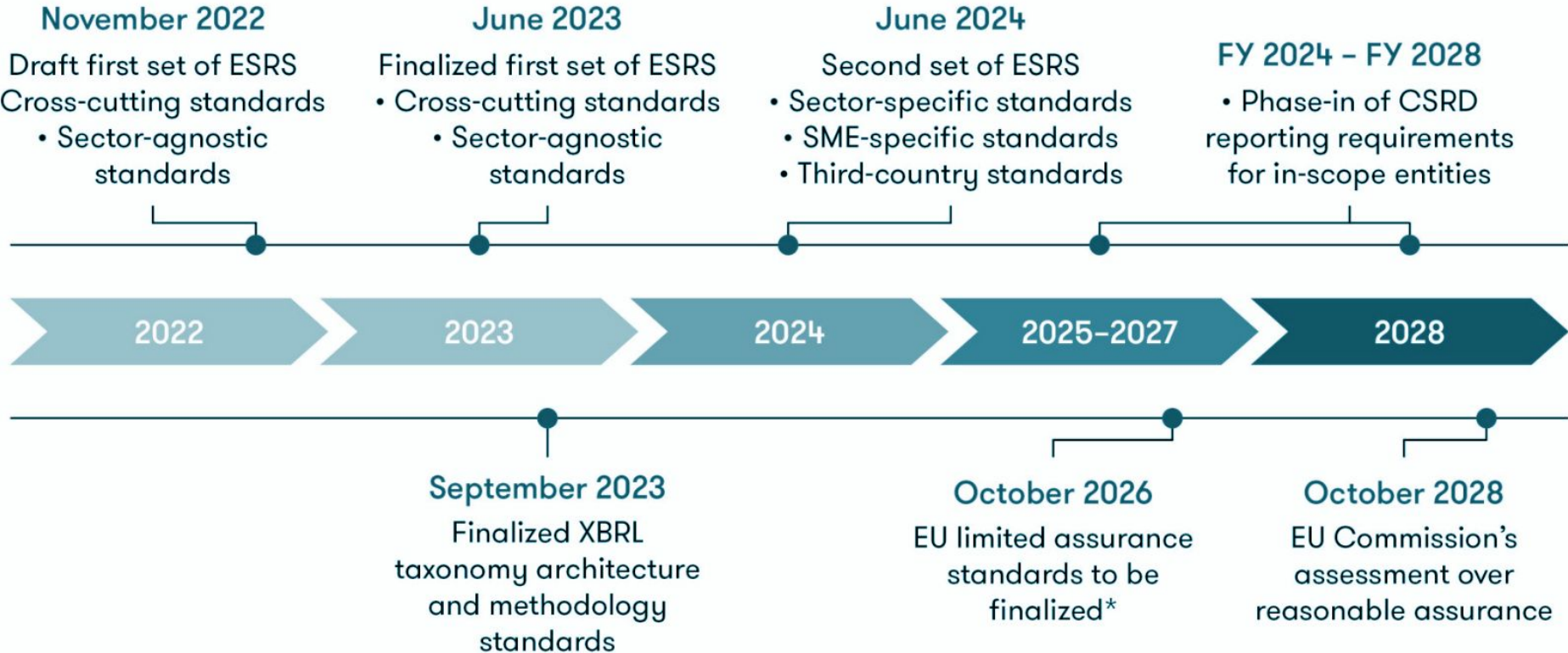
Establishes a corporate sustainability due diligence duty throughout the global value chains

Timeline of EU Regulations - CSRD



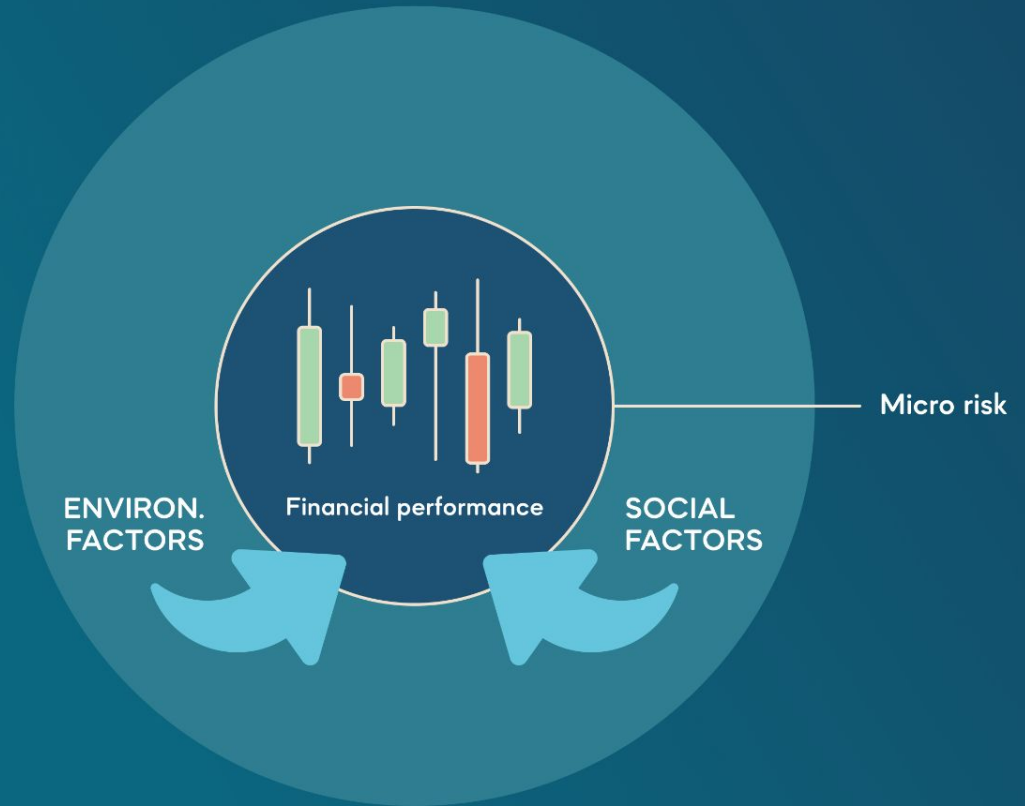
Source: Grant Thornton, [CSRD Reporting- What You Need to Know](#), Aug 2023

Timeline of EU Regulations - ESRS



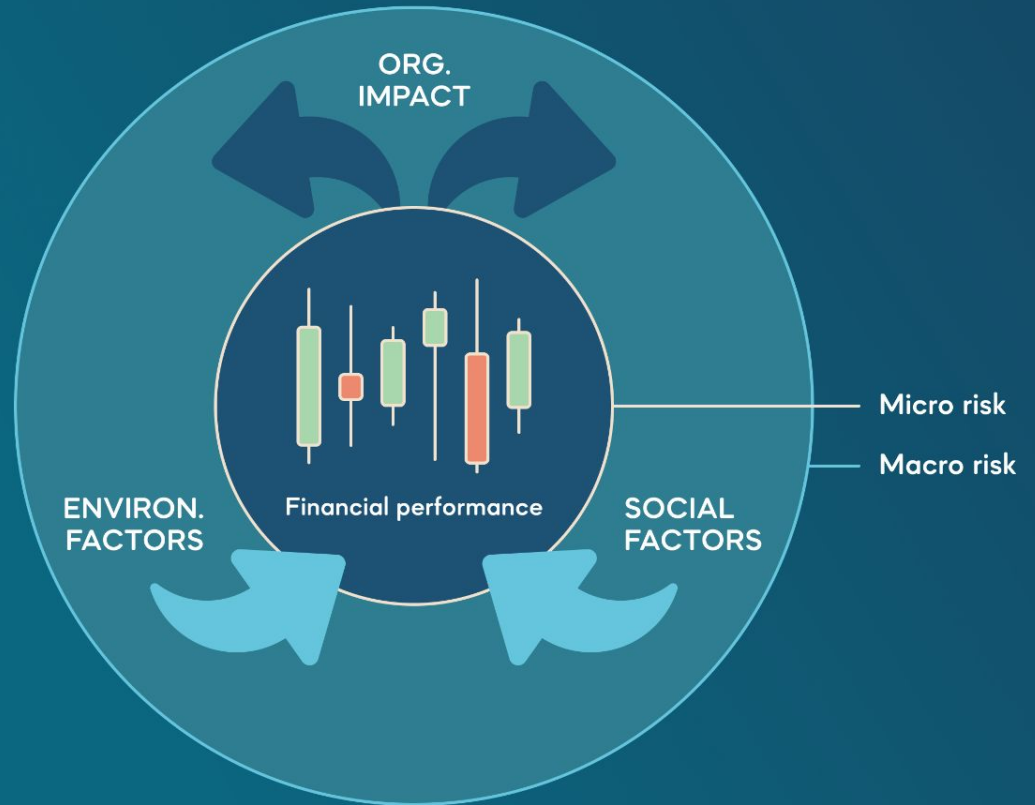
Single vs. double materiality

Single materiality considers the impact of environmental and social factors on financial performance ("outside in").



Single vs. double materiality

Double materiality includes single materiality but also considers the impact that an organization has on environmental and social factors ("**inside out**").



CSRD Establishes ESRS Reporting Framework



Cross-cutting standards

- ESRS 1
General requirements
- ESRS 2*
General disclosures



Environmental standards

- ESRS E1*
Climate change
- ESRS E2
Pollution
- ESRS E3
Water and marine resources
- ESRS E4
Biodiversity and ecosystems
- ESRS E5
Resources use and circular economy



Social standards

- ESRS S1**
Own workforce
- ESRS S2
Workers in the value chain
- ESRS S3
Affected communities
- ESRS S4
Consumers and end-users

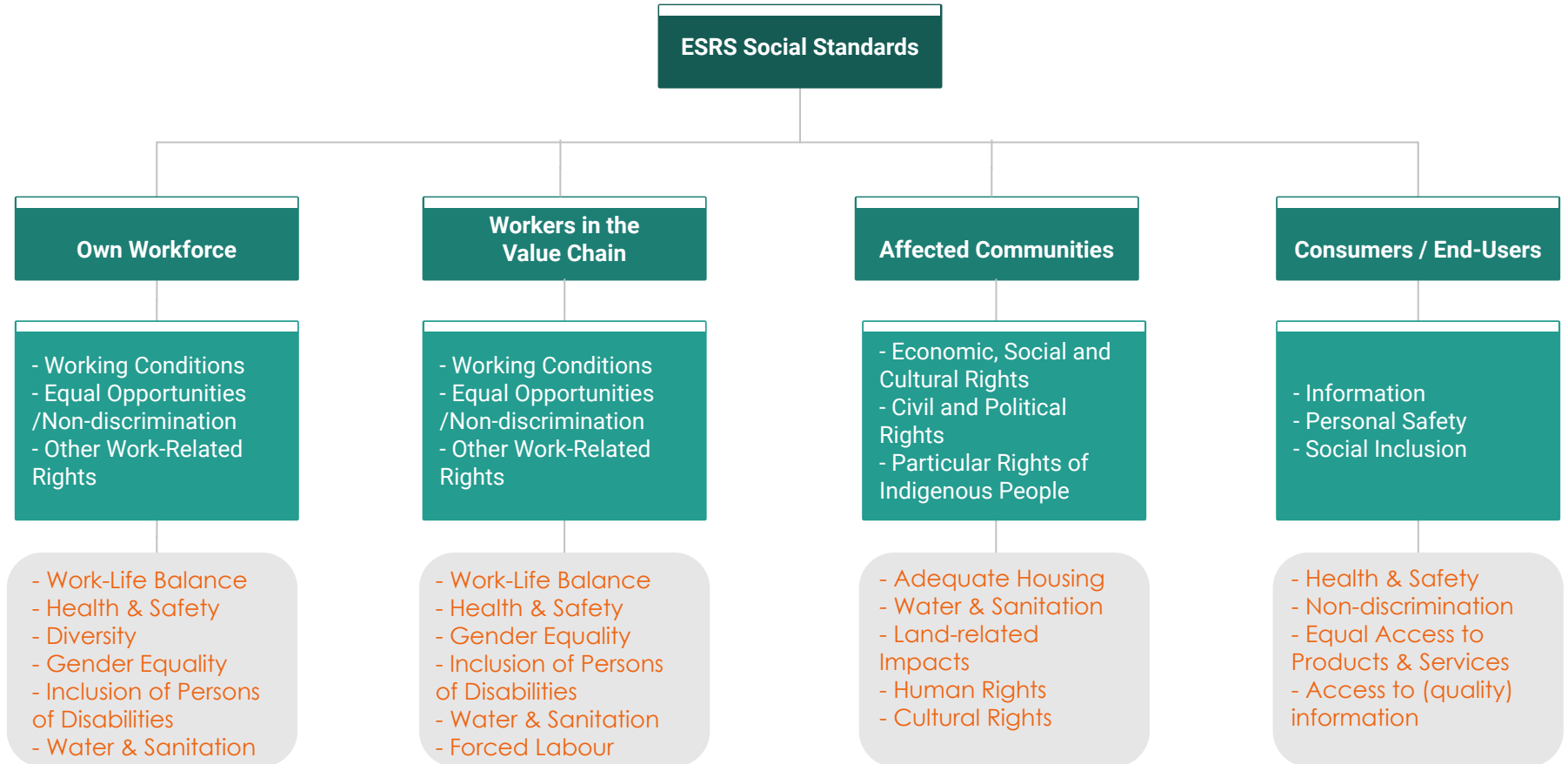


Governance standards

- ESRS G1
Business conduct

Key sections for potential alignment with WELL

ESRS Social Standards - People-Centric Focus

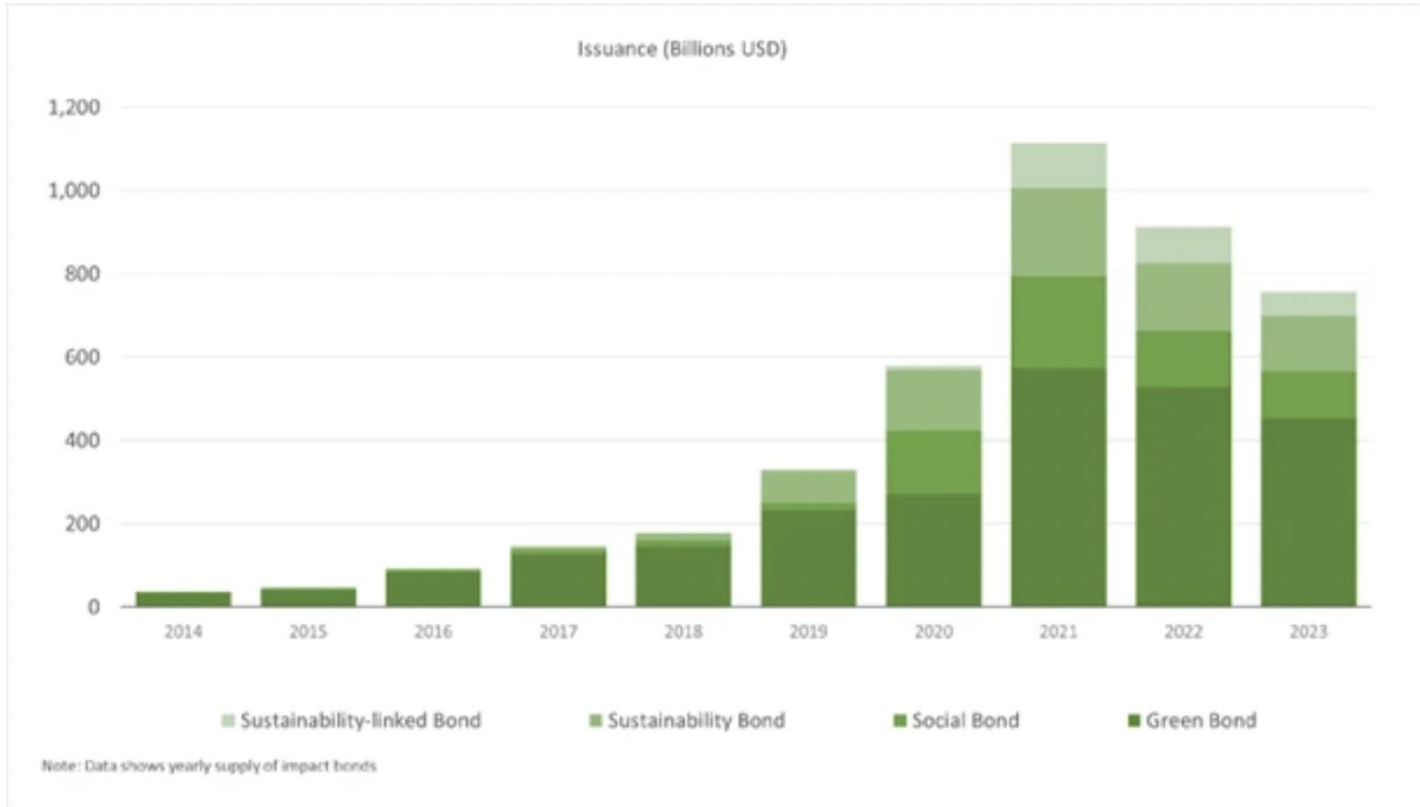


A close-up photograph of a woman's eye peering through the green, layered leaves of a plant. The eye is light-colored and looking directly at the viewer. The leaves are vibrant green and have a textured, layered appearance.

Finanza sostenibile

2

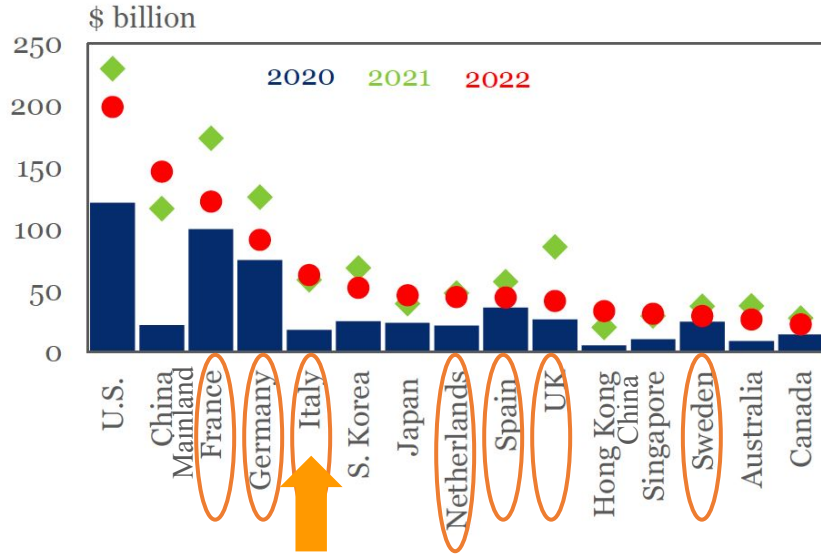
Mercato del Debito Sostenibile



Source: Bloomberg, up to Q3 2023

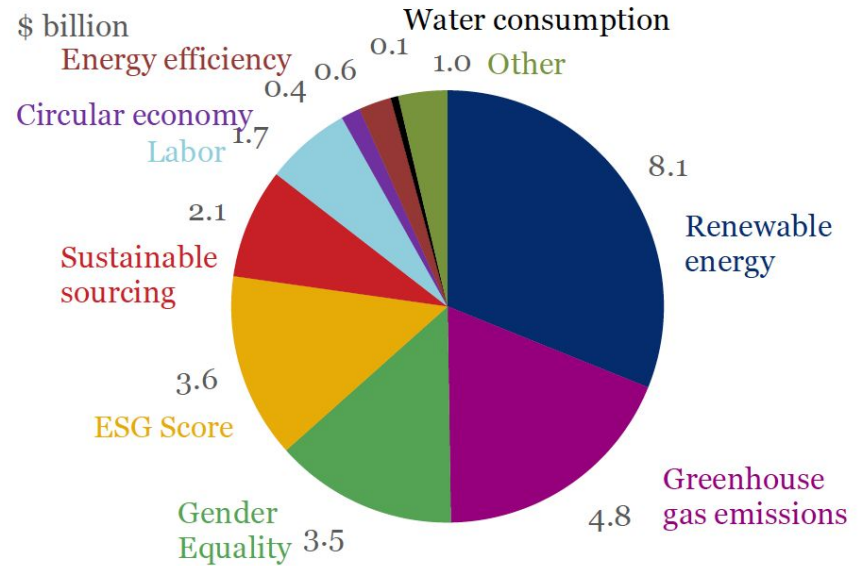
Mercato del Debito Sostenibile

Gli Stati Uniti, Cina continentale, e Francia sono le prime 3 regioni per emissioni di debito ESG nel 2022



Source: Bloomberg, IIF

Energie rinnovabili ed emissioni di gas serra sono i 2 principali KPI legati alla sostenibilità per i prestiti



Source: Institute of International Finance, *Sustainable Debt Monitor*, Jan 2023

Principi dei prestiti legati alla sostenibilità sociale

Categoria sociale	Esempi
Salute e sicurezza dei dipendenti	Creare e mantenere un ambiente di lavoro sicuro e sano. La categoria cattura ulteriormente il modo in cui le aziende garantiscono la salute fisica e mentale della forza lavoro attraverso la tecnologia, la formazione, la cultura aziendale, la conformità normativa, il monitoraggio e i test e i dispositivi di protezione individuale.
Coinvolgimento, diversità e inclusione dei dipendenti	Miglioramento di obiettivi specifici a lungo termine relativi al miglioramento della diversità, della formazione e dell'istruzione superiore.
La formazione dei dipendenti	Aumentare le ore di formazione per i dipendenti.

Source: Asia Pacific Loan Market Association, [Sustainability-Liked Loan Principles, 2023](#)

WELL

GOAL

Reduce employee stress and burnout

STRATEGIES

- Mental Health Education
- Stress Management
- Enhanced Access to Nature
- Health & Well-being Promotion
- Physical Activity Promotion
- Operable Windows
- Circadian Lighting Design
- Mindful Eating

WELL

GOAL

Reopen safely and with confidence

STRATEGIES

- Mental Health Services
- Emergency Preparedness
- Health Services & Benefits
- Hygiene Support
- Smoke-free Environment
- Air Filtration
- Cleaning Products & Protocols
- β Contact Reduction

WELL

GOAL

Prioritize diversity, equity & inclusion

STRATEGIES

- Mental Health Education
- Integrative Design
- Occupant Survey
- New Parent Support
- Family Support
- Civic Engagement
- Diversity & Inclusion
- Physical Activity Opportunities



SUSTAINABILITY BOND

Pfizer

- Pfizer was the first biopharmaceutical company to issue a Sustainability Bond (**\$1 billion+**), the proceeds of which are earmarked for environmental and social initiatives.
- The Bond was confirmed as aligned with the four core components of the Green Bond Principles 2018 (GBP 2018) and Social Bond Principles 2018 (SBP 2018) by Sustainalytics.
- As of December 31, 2021, **\$401 million** in net proceeds from the Sustainability Bond issuance have been allocated to environmental projects supporting green design and construction of new office and manufacturing facilities.
- Part of the proceeds were used to advance the sustainable design principles in Pfizer's new corporate headquarters in Hudson Yards, New York City, which are pursuing the **WELL Building Standard™ (WELL™)** in addition to green building certifications.

Source: Pfizer ESG Report 2021; Pfizer ESG Report 2020

Renderings courtesy of Tishman Speyer

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6. Wellbeing

Targets that make buildings inclusive, safer, resilient and sustainable:

- Increase on-site refurbishment initiatives that improve employee/occupier/ wellbeing by at least 15%; or
- Improve occupier and staff wellbeing through certification towards the WELL Building standard, a performance-based certification scheme developed to put occupant health in building design

Example indicators:

- % of material by total weight/volume/value
- % of material certified for their sustainable qualities
- % of reused or recycled material
- % of dedicated parking spaces for electrical and hybrid vehicles
- **Certified WELL Building Standard**

SUSTAINABLE
TRANSITION LOAN

Aviva Investors

- The objective of AVIVA's Sustainable Transition Loan Framework is to further support the long-term objective to lower carbon emissions across the portfolio, strengthen the efforts to engage borrower clients on ESG factors, and to support a transition to a low-carbon economy.
- AVIVA set a target of originating at least **£1bn** of Sustainable Transition Loans accredited to this Framework **by 2025**
- It set a list of KPIs including **achieving the WELL Building Standard** under the Wellbeing criteria.

Source: AVIVA, [Sustainable Transition Loan Framework 2022](#)



SUSTAINABILITY-LINKED LOAN

HB Reavis

- In Feb 2024, HB Reavis was granted ING's **€30 million** Sustainability Linked Loan,
- ING granted the Sustainability Linked Loan based on HB Reavis' dedication to achieving the following 4 KPIs:
 - to reduce scope 1 & 2 GHG emissions in line with their SBTi pathway
 - to reduce scope 3 GHG emissions in line with their SBTi pathway
 - to increase the number of new buildings which are EU Taxonomy aligned for the environmental objective climate change adaptation
 - the number of projects achieving a certain **WELL Building Standard** certification level
- Furthermore, HB Reavis has already committed to **target WELL Building Standard certification for all of their projects** in 2018.



SUSTAINABILITY-LINKED CREDIT FACILITY

Colliers

- In May 2022, Colliers International Group Inc. announced that it has extended and increased its unsecured multi-currency revolving credit facility for a new five-year term maturing in May 2027.
- Borrowing capacity under the new Credit Facility has been increased to **\$1.5 billion**, up from \$1.0 billion.,
- The new Credit Facility is sustainability-linked and includes **pricing adjustments** tied to the achievement of performance targets over time aligned with Colliers' Elevate the Built Environment framework. These targets include:
 - 1) reducing greenhouse gas emissions consistent with the Science-Based Targets initiative ("SBTi");
 - 2) increasing female representation in management roles and
 - 3) ensuring Colliers-occupied offices obtain the **WELL Health-Safety Rating**.



L'impatto della sostenibilità sociale sulle società italiane

3

Cos'è l'ESG?

Fattori ambientali, sociali e di governance che informano una valutazione olistica delle prestazioni organizzative. Gli investitori lungimiranti utilizzano questi fattori non finanziari per identificare opportunità di riduzione del rischio e creazione di valore.

Pilastri di ESG

Ambientale:

Qualità e funzionamento dell'ambiente naturale e dei sistemi naturali



Sociale:

Diritti, benessere e interessi delle persone e delle comunità



Governance:

Governo delle imprese e delle altre società partecipate



Reference: CFA Institute, ESG Investing cfainstitute.org/en/research/esg-investing

Reference: United Nations Principles for Responsible Investing, 2018, PRI Reporting Framework Main definitions unpri.org/Uploads/i/m/n/maindefinitionstoprireportingframework_127272_949397.pdf

Research published in the [Indoor Air Quality Handbook](#) (Berkeley Lab) found that a **20-50% reduction in SBS symptoms for office workers in the U.S. could correspond to an annual productivity gain of up to \$200 billion.**

According to the [Rocky Mountain Institute](#) (RMI), a study led by Knoll and DYG Inc., “Employees planning to leave an organization were **25% less satisfied with their physical workplace than those who planned to stay.**”



Up to
\$200 bn.
annual productivity gain

A case study that focused on a building on [Pacific Northwest National Laboratory's](#) campus showed that the estimated 10-year **NPV for energy was \$44,000**, whereas the estimated 10-year NPV for health and productivity was over **\$2 million, a near 45 times multiplier.**

A 2021 study in [Landscape and Urban Planning](#) found offices with higher green index scores **yielded rent premiums up to 7.8%.**



WELL enhances tenant satisfaction.

A 2022 study found that WELL Certification improved overall **occupant satisfaction by nearly 30%**, as well as **occupant perceived well-being scores by 26%**, reported mental health by 10% and productivity by 10 median points.

A study in [Landscape and Urban Planning](#) found offices with higher green index scores yielded **rent premiums up to 7.8%**. Similarly, a [Building and Environment](#) study found that offices with high levels of daylight saw a **5-6% rent premium**.



Attributi dei edifici sani e indicatori di performance economica

Property type	Asset characteristic	Performance indicator		citation
office	Healthy building certification	rent	4.4% to 7.7% increase	Sadikin, N., Turan, I., & Chegut, A. (2021). The financial impact of healthy buildings: Rental prices and market dynamics in commercial office. MIT Center for Real Estate Research. http://dx.doi.org/10.2139/ssrn.3784779
office	Healthy building certification	Longer lease terms	88.3 months compared to 75.3 months	Sadikin, N., Turan, I., & Chegut, A. (2021). The financial impact of healthy buildings: Rental prices and market dynamics in commercial office. MIT Center for Real Estate Research. http://dx.doi.org/10.2139/ssrn.3784779
office	Street level greenness	rent	5.6% to 7.8% rent premium	Yang, J., Rong, H., Kang, Y., Zhang, F., & Chegut, A. (2020). The financial impact of street-level greenery on New York commercial buildings. MIT Center for Real Estate Research. https://doi.org/10.2139/ssrn.3714858
office	daylight	rent	5% to 6% rent premium	Turan, I., Chegut, A., Fink, D., & Reinhart, C. (2020). The value of daylight in office spaces. Building and Environment, 168, Article 106503. https://doi.org/10.1016/j.buildenv.2019.106503
Office, retail, industrial	walkability	Property value	improves property values by up to 9%	Pivo, G., & Fisher, J. D. (2011). The walkability premium in commercial real estate investments. Real Estate Economics, 39(2), 185-219. https://doi.org/10.1111/j.1540-6229.2010.00296.x
office	Ventilation rates	Employee productivity	\$6,500 to \$7,500 per person per year	MacNaughton, P., Pegues, J., Satish, U., Santanam, S., Spengler, J., & Allen, J. (2015). Economic, environmental and health implications of enhanced ventilation in office buildings. International Journal of Environmental Research and Public Health, 12(11), 14709-14722. https://doi.org/10.3390/ijerph121114709

Investing in health pays back.

Research shows that companies that invest in health and well-being strategies can benefit from enhanced performance and increased financial returns.



7.7%
higher rents
per sq ft
in certified healthy
buildings [MIT]



\$115
per sq ft in
10-year NPV
for healthy, high
performing buildings
[Stok]



8%
increase
in employee
performance
associated with improved
air quality [Harvard]

Download IWBI's Research Review, featuring nearly 60 independent studies:

[WEAREWELL.COM/HEALTH-PAYS-BACK](https://www.weiarewell.com/health-pays-back)

The image is a composite. On the left, there are green leaves, possibly from a plant like a peace lily. In the center, there is a close-up of a person's eye, which is light blue and looking directly at the viewer. The eye is partially framed by the green leaves. A dark blue horizontal bar is overlaid on the image, containing the title text. The background on the right is a plain, light color.

Quanto WELL può essere utile

4



IWBI is the global authority for transforming health and well-being in buildings, organizations and communities.

Mission:

Lead the global movement for putting people first in business decision-making and culture.

IWBI and USGBC strengthen their strategic partnership to accelerate healthy, sustainable buildings



The WELL Standard is a library of evidence-based building and organizational strategies that can improve the health and well-being of your people.

Access to daylight and outdoor views.



MIND



COMMUNITY



MOVEMENT



WATER



AIR



LIGHT



THERMAL
COMFORT



NOURISHMENT



SOUND



MATERIALS

7,000+

peer-reviewed studies
and citations

20,000+

industry leaders and
practitioners

30,000+

locations
enrolled

500+

evidence-based
interventions

BEYOND DESIGN INTERVENTIONS

WELL IS HOLISTIC



Ways to demonstrate progress and performance

LOCATION-BASED ACHIEVEMENTS

ORG-WIDE BENCHMARK



Ratings

Target your approach by focusing on a subset of strategies to address specific themes.



Certification

Make a comprehensive commitment by implementing strategies across all 10 WELL categories.



Score

Benchmark progress against your peers with an org-wide measure of health and well-being performance.

WELL Certification

Commit to baseline health strategies across the 10 WELL concepts and earn points for additional strategies to achieve one of four certification levels.



WELL Certification
WELL Core Certification
WELL Community Certification*

WELL Ratings

Concentrarsi su un sottoinsieme specifico di strategie WELL Building Standard che supportano un obiettivo organizzativo, come salute e sicurezza, prestazioni o equità.





AIR & WATER
QUALITY
MANAGEMENT



HEALTH SERVICE
RESOURCES



EMERGENCY
PREPAREDNESS
PROGRAMS



STAKEHOLDER
ENGAGEMENT &
COMMUNICATION



CLEANING &
SANITIZATION
PROCEDURES



WELL
HEALTH-SAFETY
RATED

Immergiti nei dettagli

PROCEDURE DI PULIZIA E DISINFEZIONE

- Sostenere il lavaggio delle mani
- Ridurre le superfici di contatto
- Migliorare le pratiche di pulizia
- Seleziona i prodotti per la pulizia preferiti
- Ridurre l'esposizione alle particelle respiratorie

PROGRAMMI DI PREPARAZIONE ALL'EMERGENZA

- Sviluppare un piano di preparazione alle emergenze
- Creare un piano di continuità aziendale
- Piano di rientro sano
- Fornire risorse di emergenza
- Aumentare la resilienza durante le emergenze
- Stabilire requisiti di ingresso salutari

RISORSE SERVIZI SALUTE E BENESSERE

- Fornire un congedo per malattia
- Fornire benefici per la salute
- Supportare il recupero della salute mentale
- Promozione del vaccino antinfluenzale
- Promuovi uno spazio senza fumo

GESTIONE DELLA QUALITÀ DELL'ARIA E DELL'ACQUA

- Valutare la ventilazione
- Valutazione e manutenzione dei sistemi di trattamento dell'aria
- Sviluppare un piano di gestione della legionella
- Monitoraggio della qualità dell'aria e dell'acqua
- Controllo della muffa e dell'umidità

COMUNICAZIONE DELLE PARTI INTERESSATE

- Promuovere la salute e il benessere
- Condividere le informazioni sull'ispezione degli alimenti



APPENDIX

wearewell.com

Apply WELL at scale

Subscribers gain access to all that WELL has to offer with:

- ✓ Unlimited certifications & ratings
- ✓ Enhanced ESG reporting & analytics
- ✓ Co-marketing & occupant engagement
- ✓ Concierge support & premium project management platform
- ✓ WELL Score to benchmark human & social capital performance



WELL SCORE



WELL CERTIFICATION



WELL RATINGS



WELL STANDARD + PLATFORM + ROADMAP + SUPPORT NETWORK

WELL & ESG Alignment



WELL features may support 16 of the 17 UN SDGs. Most notably, Goal 3: Good Health & Well-being

GRI

Features in WELL can impact the results of approximately **one-fifth** of the disclosures in the **GRI Sustainability Reporting Standards**, including **approximately half** of the **topic-specific Standards in the social category** (400-series).



Features in WELL align with **38.5%** of **indicators** within the **2022 GRESB Real Estate Assessment**.

S&P CSA

Features in WELL can impact the results of approximately a **quarter of the S&P CSA banking sector questions**, including approximately **half in the Social Dimension**.



Features in WELL can impact the results of approximately **one-sixth** of the metrics in the **IRIS+ 5.1 Catalog**, including **almost half** of the metrics in the **Operational Impact** category (OI-series).

Explore more on how WELL contributes to leading ESG reporting frameworks:
www.wellcertified.com/investingforhealth

Aligning with the UN Sustainable Development Goals

Advancing the United Nations Sustainable Development Goals (SDGs) with WELL



The alignment between WELL and the UN SDGs reinforces the powerful opportunity we have to create a more resilient, equitable and healthier future.

WELL has the strongest level of alignment with the following SDGs:

- **Goal 3: Good Health and Well-being**
- **Goal 5: Gender Equality**
- **Goal 10: Reduced Inequalities**
- **Goal 11: Sustainable Cities and Communities**
- **Goal 12: Responsible Consumption and Production**

WELL and GRESB alignment



WELL v2 features align with almost 40% of GRESB Real Estate Assessment indicators within the following components:

- Management – WELL is aligned with 23 indicators
- Performance – WELL is aligned with 12 indicators
- Development – WELL is aligned with 12 indicators

Engaging in **WELL at scale** can help an organization report on 15 GRESB indicators in full and 32 GRESB indicators in part.

Additionally, within the GRESB Certification Aspect:

- **WELL Certification is worth a full point**
- **WELL Health-Safety Rating is weighed as a partial + (0.6 points)**
- **WELL Equity Rating is weighed as a partial + (0.6 points)**

“The **health and well-being module** started the process toward integrating health into reporting and benchmarking. Now the GRESB-WELL crosswalk brings this perspective into full view and provides a practical pathway to support continuous improvement in health and well-being.” - Roxana Isaiu, Chief Product Officer, GRESB

Global Adoption of WELL in Sustainable Finance



Data by Oct 2023

Global Adoption of WELL in Sustainable Finance

China

- Swire Properties
- New World
- Champion REIT
- Link REIT
- China Overseas
- Hongkong Land
- Sino-Ocean
- Sino Land
- Agile
- Redco
- Minmetals
- Hang Lung
- Nan Feng
- Henderson Land
- Great Eagle Holdings
- Wuxi Jinyuan Industry Investment Development Group
- Kerry Properties
- White Peak

APAC

- Shimizu
- Obayashi
- Kajima
- Yanlord
- Lendlease
- Arthaland
- Frasers
- CBUS Property
- Majid Al Futtaim
- Sime Darby Property
- UEM Sunrise
- Mitsubishi Estate
- The Victoria State Government, Australia
- Qatar National Bank (QNB)
- Central Pattana
- Oxford Properties
- Urban Development Authority
- Keihan Holdings
- Mori Building

Europe

- Prologis
- Aviva Investors
- Jernhusen
- AXA
- Lamda
- Gecina
- CNP Assurances
- Great Portland Estates
- Futereal
- CA Immo
- GMP
- Prodea Investments
- Vesteda
- HGR Property Partners
- HB Reavis

North America

- TD Bank
- Colliers
- Canadian Imperial Bank of Commerce
- California Infrastructure and Economic Development Bank
- Pfizer
- Mather
- Micron
- BMO Financial Group
- National Bank of Canada
- Starwood Property Trust
- USAA
- Ministry of Finance and Public Credit, Mexico

Africa

- FirstRand Bank
- Redefine Properties
- Majid Al Futtaim



UN General Assembly declares access to clean and healthy environment a universal human right

Source: <https://news.un.org/en/story/2022/07/1123482>

Setting the Standard for Health Leadership



[CLICK TO WATCH VIDEO](#)

CATALYZING GLOBAL ADOPTION

WELL is the world's largest certification and ratings platform for healthy buildings

5.16B+

square feet

131

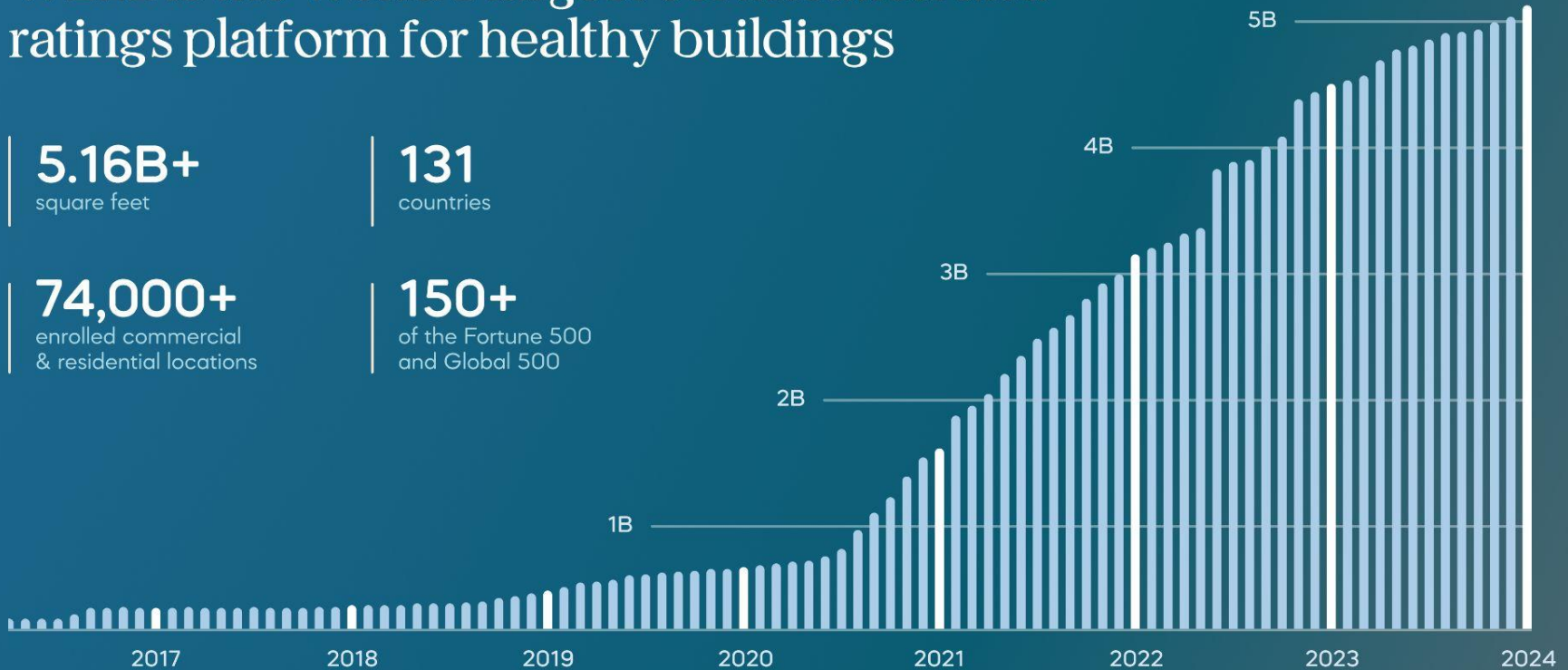
countries

74,000+

enrolled commercial
& residential locations

150+

of the Fortune 500
and Global 500



Examples of Brands leading with WELL



You're in good company...



Uber



JPMORGAN CHASE & CO.



Brookfield
Properties

CBRE

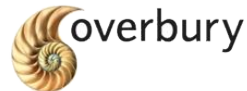


Milliken



teknion

T Mobile™



MMOSER ASSOCIATES 

WELL in Europe

WELL Certification

875

Enrollments

159million

Sq ft

WELL Ratings

576

Enrollments

117million

Sq ft

WELL at scale

31

Enrollments

1060

Locations

59million

Sq ft

WELL community

1122

WELL APs

Updated 4th April 2024, based on submitted information at enrollment
Visit wellcertified.com for latest metrics



WELL in Italy

WELL Certification

121

Enrollments

20.6million

Sq ft

WELL at scale

12

Enrollments

630

Locations

14.3 million

Sq ft

WELL Ratings

45

Enrollments

3.3million

Sq ft

WELL community

126

WELL APs



Taking Action & Monitoring Impact

Once a company has established its goals for social sustainability and ESG more broadly, the WELL Standard can guide and support action to address those goals. **The WELL Building Standard (WELL Standard) is a library of over 100 holistic, evidence-based solutions and criteria to promote health, well-being and social equity through organizational and building performance.** This library of solutions can be applied in a variety of ways.

Opportunities with **WELL at scale**:

- WELL at scale guides application of the WELL Standard throughout an entire organization or real estate portfolio.
- Leaders demonstrate progress over time by implementing health and well-being strategies across portfolios and pursuing third-party verification for individual WELL strategies on an annual basis.
- WELL at scale helps **standardize ESG efforts** by providing ongoing decision-making and **change management support** through one-on-one technical coaching. The annual WELL at scale goals module allows companies to **prioritize WELL features** according to their **ESG goals**.
- Enterprises benchmark their progress utilizing the **WELL Score**, a weighted average of points achieved across a portfolio's locations, updated annually.
- Organizations and real estate portfolios can pursue any of the following WELL achievements, with flexible access to the full suite of strategies within the WELL Standard.

WELL achievements:



The WELL Health-Safety Rating provides strategies for supporting long-term health and safety needs such as those related to **emergency preparedness and long-term resilience**. Strategies include operational policies, cleaning protocols, performance testing, stakeholder engagement and emergency plans.



The WELL Equity Rating gives organizations an actionable framework to improve access to health and well-being, celebrate **diversity**, prioritize **inclusivity** and promote sensitivity while addressing disparities in populations that have been traditionally marginalized and underrepresented.



The WELL Performance Rating allows companies to provide **transparency** on indoor environmental quality by **verifying performance** through onsite testing and sensor technology. Performance measurements cover **air, light and water quality**, as well as **thermal and acoustic comfort**.



WELL Certification is the most comprehensive WELL solution. It recognizes companies that implement a **holistic approach** by achieving features that span across all 10 concepts of the WELL Standard: air, water, nourishment, light, movement, thermal comfort, sound, materials, mind and community. Every WELL Certified project is verified through on-site testing of building performance. WELL Certification is available at the **Bronze, Silver, Gold or Platinum** level.

Across these various applications of the WELL Standard, WELL can help companies take action to promote health for various stakeholder groups and monitor impact. In the sections that follow, this document maps WELL strategies to ESG objectives and metrics within each of the stakeholder groups impacted by an organization's value chain: employees, customers, local communities and suppliers.

Methodology

IWBI staff monitor existing and evolving ESG reporting frameworks and company reporting trends found in company annual reports, sustainability reports, ESG reports and other relevant disclosures. The ESG objectives and metrics highlighted within this resource are based on such IWBI market research to help make the guidance relevant and impactful to organizations.

The tables on the following page highlight the most relevant WELL features to support common ESG objectives and metrics that have been identified in IWBI's market research, but they are not intended to be exhaustive. WELL features selected for inclusion in the tables below are based on IWBI assessments of how explicitly they address the applicable ESG objective and/or metric in question.

Sample alignment structure:



The ESG objectives and metrics listed on the following pages are based on current reporting trends and should not be construed as a holistic list of ways to measure social performance. For more on IWBI's efforts to guide organizational measurement, see the [12 Competencies for Measuring Health and Well-being](#).

Employees

Employees want to work for organizations that value their health.

According to IWBI's [2023 State of Workforce Well-Being Poll](#) conducted with the Harris Poll:

84%

of employees agree that supporting the health of employees is a "must-have" for companies.

87%

agree that employers should be "ethically obligated" to create a work environment that enhances the health, safety and well-being of their employees.

A healthy work environment is non-negotiable.

- According to employees, a healthy work environment is linked to their productivity.

Also according to IWBI's [2023 State of Workforce Well-Being Poll](#):

96%

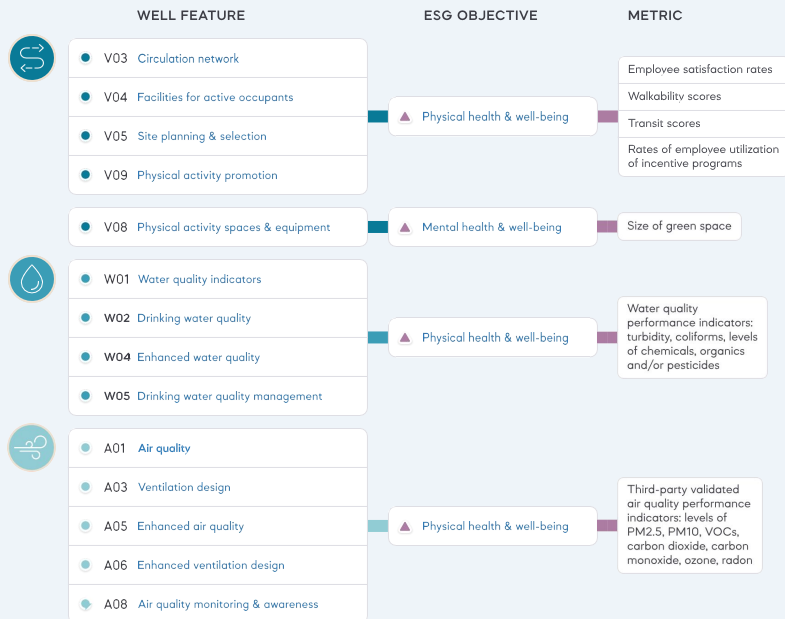
of employees agree that a healthy work environment is necessary for employee productivity.

81%

agree that their company's physical work environment has a major impact on their health and well-being.



Employees continued...



Customers & tenants

Real estate companies and organizations that implement WELL in customer-facing locations can use WELL to drive customer health, well-being and satisfaction.

Healthy building certification boosts rent premiums, lease terms and property values.

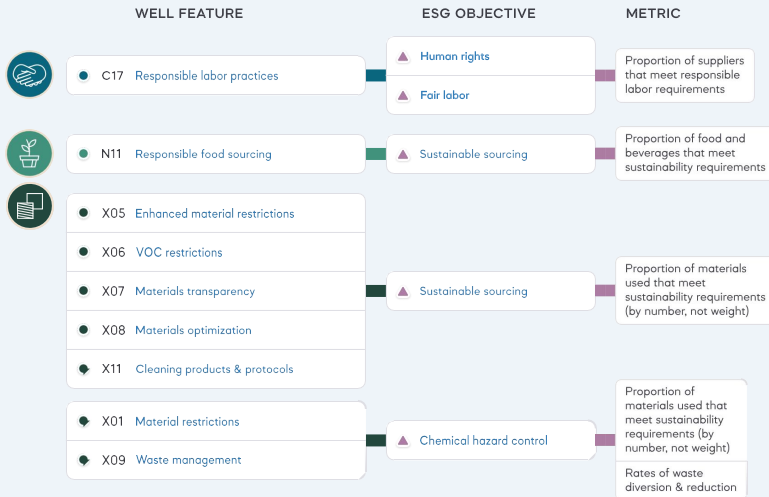
According to IWBI's [Investing in Health Pays Back Research Review](#):

- **Certified healthy buildings saw a 4.4% to 7.7% increase in rents** compared to nearby non-certified buildings. ([MIT](#))
- **Spaces with health-focused attributes yield longer lease terms**, more than a year longer (88.3 months compared to 75.3 months) than spaces without them. ([MIT](#))
- Overall, people-first characteristics in real estate enhance and complement an asset's market value.



Supply chain

Across sectors, there has been an increased focus placed on sustainability within the supply chain. This is due to both **increasing public awareness regarding human rights violations, increasing regulatory pressure and environmental impacts.**⁹ Organizations that approach their supply chains strategically are able to reduce reputational and regulatory risk while also unlocking opportunities to drive efficiency, resilience and competitive differentiation.



Local communities

Organizations are increasingly focused on driving value for the communities in which they operate.



Reporting

Finally, organizations can utilize WELL to guide their annual reporting on social sustainability. **Since 2018, more than 150 organizations have incorporated WELL into their sustainability and ESG reporting.**

As the expectations of regulators and investors increase around the world, so does the need for accurate and transparent reporting on social sustainability performance. The WELL Standard provides a suite of evidence-based strategies to help organizations address their ESG and sustainability priorities, particularly those related to health, well-being and social equity.

Organizations and projects that complete a WELL review cycle are provided with third-party verification, down to the individual strategy level, that action has been taken and/or a certain level of performance has been achieved. Substantiating disclosures in reporting enhances credibility and the assurance provided by third-party verification is particularly valuable when reporting on social performance, which is often perceived to be more qualitative in nature.

IWBI has conducted a number of alignment exercises that map features within WELL to key components of leading ESG frameworks, most notably the [UN Sustainable Development Goals \(SDGs\)](#) and the [GRESB Real Estate Assessment](#).



The UN SDGs

The SDGs provide a shared global blueprint for peace and prosperity for both people and the planet. Across the world, companies and investors are incorporating the SDGs into their ESG strategy and reporting.

Companies can use the WELL Standard to make progress toward many SDGs. **The WELL Standard has the strongest level of alignment with SDG 3: Good Health & Well-being** as well as the SDGs focused on gender equality, reducing inequalities, sustainable cities and responsible consumption. The [WELL and SDG alignment tool](#) maps individual WELL features to specific SDG targets, providing concrete WELL strategies to help companies address the SDGs. Organizations that pursue WELL at scale receive access to custom data, highlighting how their progress with WELL contributes to specific SDGs.



Good Health & Well-being	142	Clean Water & Sanitation	15	Decent Work & Economic Growth	5
Sustainable Cities & Communities	30	Climate Action	12	Partnerships for the Goals	2
Responsible Consumption & Prod.	30	Peace, Justice & Strong Institutions	11	Zero Hunger	1
Reduced Inequalities	25	No Poverty	8	Life on Land	1
Industry, Innovation & Infrastructure	24	Quality Education	8		
Gender Equality	18	Affordable & Clean Energy	7		



COMMUNITY
47 alignments



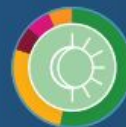
MATERIALS
26 alignments



AIR
18 alignments



WATER
18 alignments



LIGHT
16 alignments



MIND
15 alignments



MOVEMENT
11 alignments



NOURISHMENT
10 alignments



SOUND
8 alignments



INNOVATION
7 alignments



THERMAL COMFORT
2 alignments

The GRESB Real Estate Assessment

The GRESB Real Estate Assessment benchmarks the ESG performance of real estate funds and companies worldwide. In 2022, over 1,800 entities participated in the assessment, covering \$6.92T USD of gross asset value across 74 countries.

Features within WELL align with almost 40% of the 2022 GRESB Real Estate Assessment indicators. This alignment spans all three GRESB components:

- GRESB Management, where WELL aligns to **23 GRESB indicators**
- GRESB Performance, where WELL aligns to **12 GRESB indicators**
- GRESB Development, where WELL aligns to **12 GRESB indicators**

Additionally, **WELL is recognized within the certification portion of the GRESB Assessment where WELL Certification is worth a full point.** The WELL Health-Safety Rating and WELL Equity Rating are both worth a partial point.

Real estate companies and fund managers interested in using WELL strategies to improve their GRESB performance can use the [WELL-GRESB alignment tool](#) to help ensure their WELL achievements inform their annual GRESB submission. While completing the annual WELL at scale goals module, clients can use the alignment tool to prioritize WELL features that are aligned with GRESB indicators.

Real estate funds that report to GRESB are composed of individual building assets. Building practitioners who work on these individual buildings – architects, facility managers and consultants – can also use the WELL-GRESB alignment tool to communicate how their asset-level efforts support portfolio-level performance within GRESB.

The GRESB components



MANAGEMENT COMPONENT

Measures entity's strategy and leadership management, policies and processes, risk management and stakeholder engagement approach, comprising information collected at the organizational level.



PERFORMANCE COMPONENT

Measures the entity's asset portfolio performance, comprising information collected at the asset and at the portfolio level. It is suitable for any real estate company or fund with operational assets.



DEVELOPMENT COMPONENT

Measures the entity's efforts to address ESG issues during the design, construction and renovation of buildings.

WELL strategy alignment with GRESB



MANAGEMENT

- 26 slightly aligned strategies
- 56 partially aligned strategies
- 12 fully aligned strategies

PERFORMANCE

- 5 slightly aligned strategies
- 10 partially aligned strategies
- 13 fully aligned strategies

DEVELOPMENT

- 8 slightly aligned strategies
- 6 partially aligned strategies
- 35 fully aligned strategies

Additional WELL reporting tools

IWBI has also developed the following resources to support incorporating WELL into ESG reporting:

WELL at scale annual summary reports:

- Companies participating in WELL at scale receive annual summary reports. These reports are released every year in Q1 and highlight the organization's WELL performance, achievements and progress during the previous year. These reports are designed to directly inform organizational reporting by providing quick access to an organization's verified performance, including information on SDG and GRESB (when applicable) alignments.

[WELL and ESG Reporting Guide](#). This resource contains:

- An overview of how WELL aligns with ESG and sustainable finance.
- Examples of how WELL has been used in CSR, ESG and sustainability reporting.
- Questions to guide the utilization of WELL to enhance ESG strategy.
- Helpful tips and resources to make reporting easier and more efficient.

Citations

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- 10 GRESB. (2023). *GRESB Real Estate Assessment*. <https://www.gresb.com/nl-en/real-estate-assessment/>

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