Guidelines

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English

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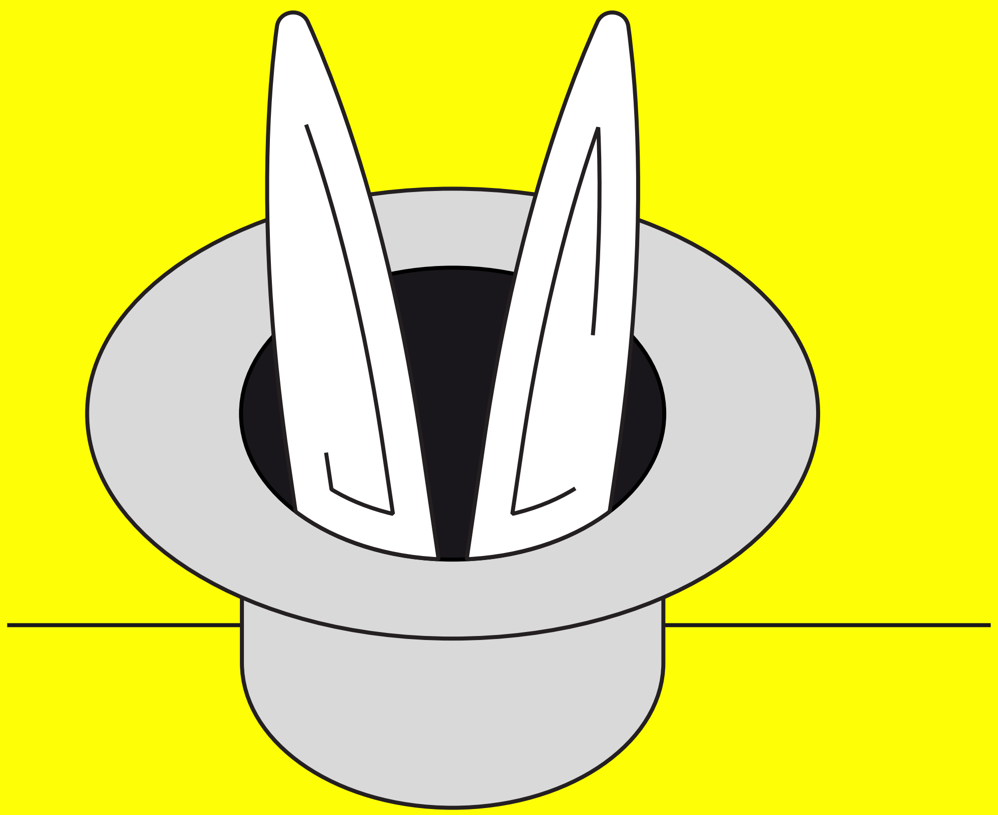
Sustainable Office

Read our guidelines and protect your workforce.

A few insights



→ Sustainable offices are offices that place emphasis on the health and well-being of employees and the preservation of the environment.

→ Companies are experiencing increasing pressure from employees, tenants, customers, society, and stakeholders to adopt more responsible, sustainable business practices. They are expected to be more responsible for maintaining the environment.

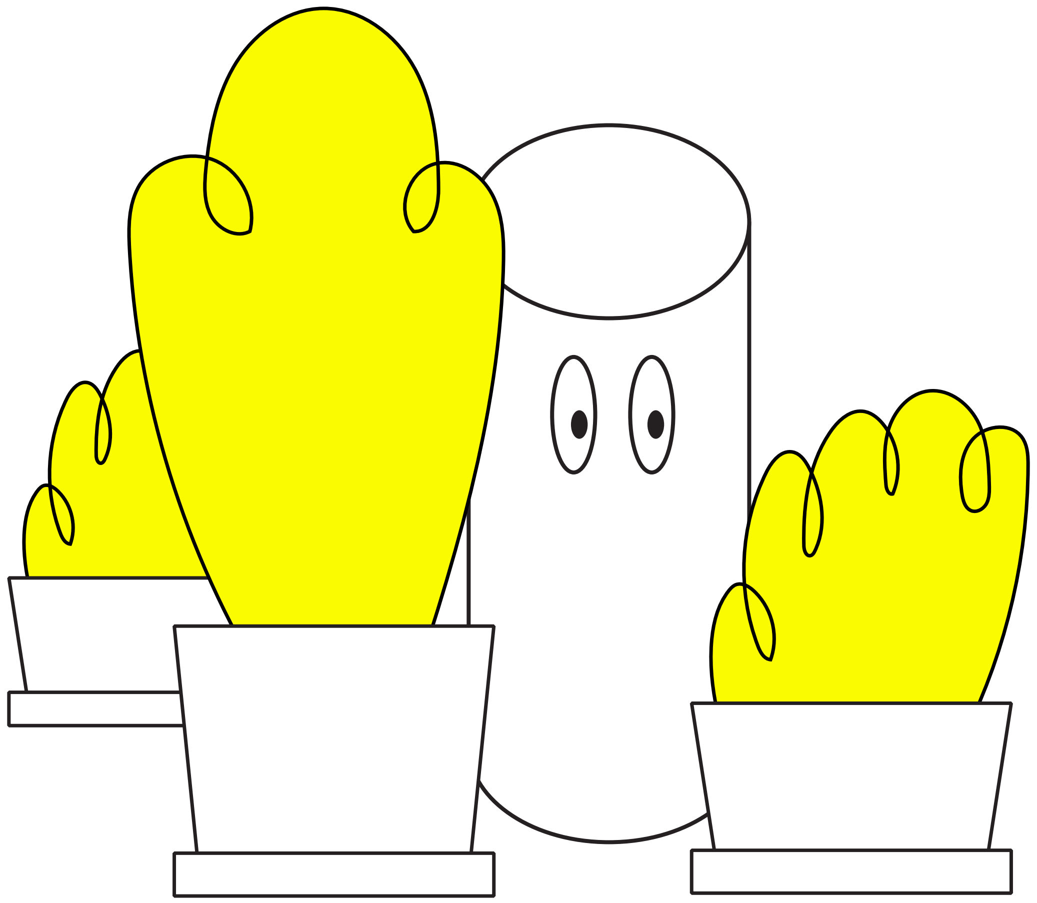
→ Environmental, Social and Governance criteria (ESG) is an increasingly more popular way of assessing companies for investors.

→ The ESG connects extremely well with the WELL standard that a company can obtain, thus proving its sustainability orientation, which gives priority to the health and well-being of its employees.

→ The Sustainable Development Goals (SDGs) are a joint global plan to eradicate extreme poverty, reduce inequality and protect the planet by 2030.

→ As many as 93% of real estate investors believe that the pandemic was an indication that the ESG should be included as the most important criterion.

What are sustainable offices?



Sustainable offices are offices that focus on saving energy and water, which in addition to the positive environmental impact also has a financial impact, as companies save money.

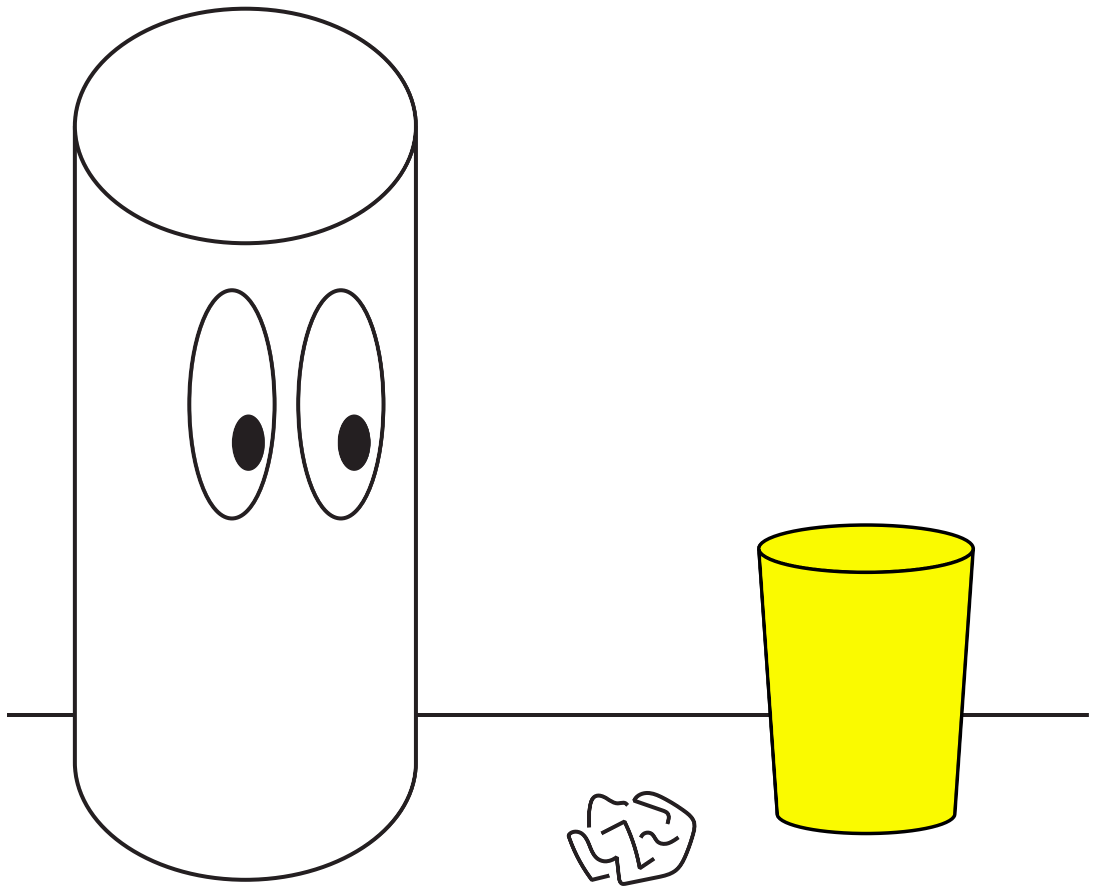
Compared to the cost people represent to a company, the cost of building is small. However, with sustainable, green offices, a company can also improve employee productivity and reduce absenteeism. As an example, experts estimate that the cost of absenteeism costs a company US $2000 per year per employee[1].

Criteria for such offices can be access to daylight, noise reduction, improved ventilation, healthy eating options[1], reduction of emissions produced by the building, acceptability, and inclusiveness.

A study by American scientists showed that workers working in high-performance green buildings score 26.4% more on cognitive tests and have 30% fewer health problems (headaches, colds, poor sleep)[1].

1. JLL (2018). Investors see returns in healthy buildings. https://www.us.jll.com/en/trends-and-insights/investor/investors-see-returns-in-healthy-buildings

ESG Environmental, Social and Governance Criteria



Environmental, social and governance criteria (ESG) is increasingly more popular way of assessing companies for investors. It helps them assess where they might want to invest. It can also help investors avoid companies that would pose a greater financial risk due to their environmental or other work processes.

Generation Z, entering the labour market, places even greater emphasis on equality and environmental protection. It is very important for companies to achieve high ESG criteria, especially for attracting young talent[2].

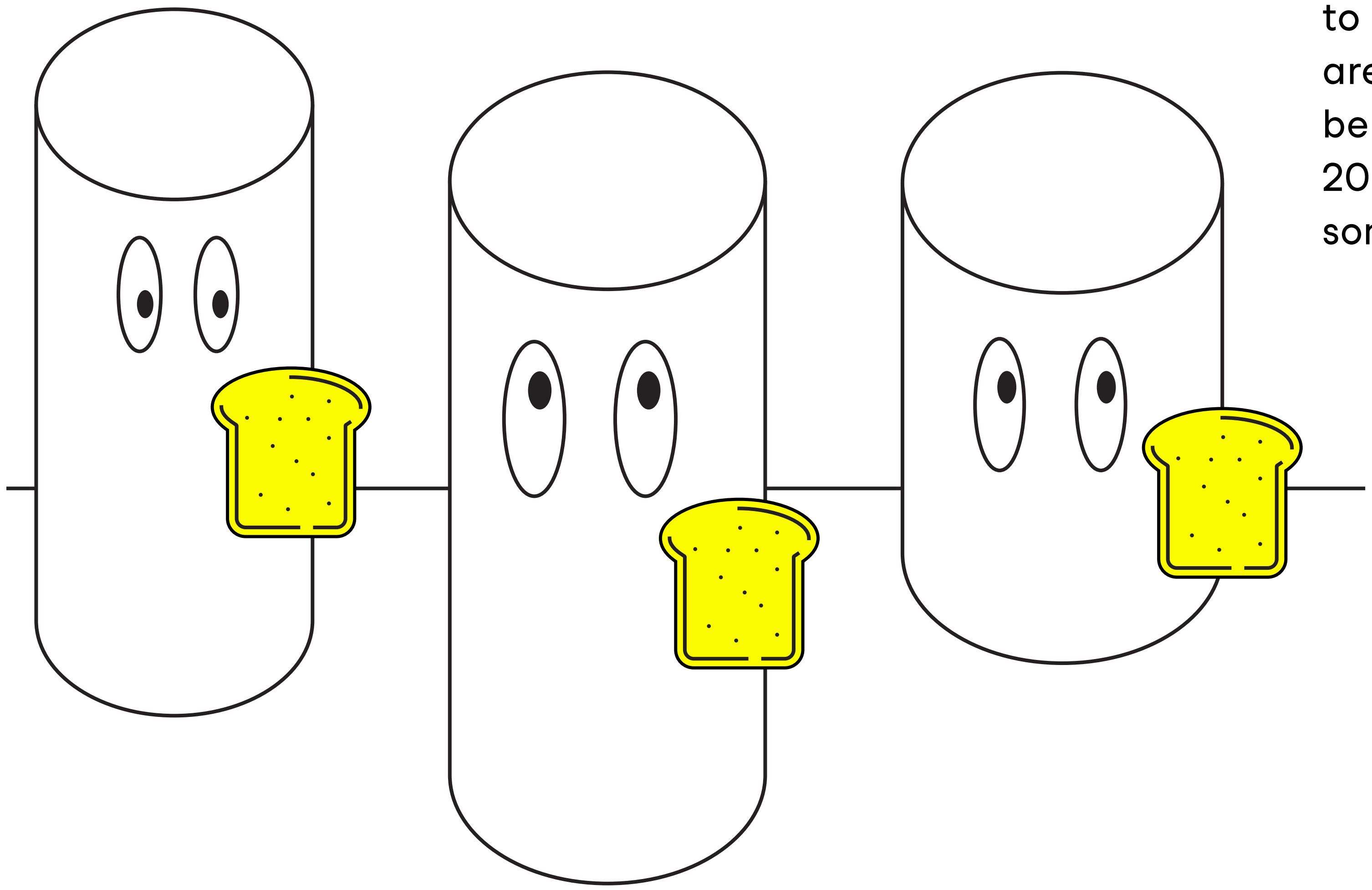
Environmental criteria may include energy use, waste management, pollution, conservation of natural resources and animal management. The criteria can also be used to assess all environmental risks, for example, if there are issues related to the disposal of hazardous waste, the management of toxic emissions or compliance with government environmental regulations.

Social criteria focus on the company's business relationships. Whether they work with suppliers who share the same values, or the company donates a percentage of its profits to the local community, or encourages employees to volunteer. It may also include whether the interests of other stakeholders are considered.

The governance criteria cover the area of rights and responsibilities of the company's management - its board of directors, shareholders, and various stakeholders in this company. They include measuring business ethics, anti-competitive practices, corruption, taxes, and ensuring accounting transparency for stakeholders.
The ESG connects extremely well with the WELL standard that a company can obtain, thus proving its sustainability orientation, which gives priority to the health and well-being of its employees. The COVID-19 pandemic has shown us inequalities in the social and economic spheres, deficits in health and education. Precisely because of this, the ESG has gained in importance[2].

2. JLL (2021). Leading better in 2021: ESG. https://www.us.jll.com/en/trends-and-insights/research/2021-real-estate-vision/leading-better

SDG
The Sustainable Developing Goals



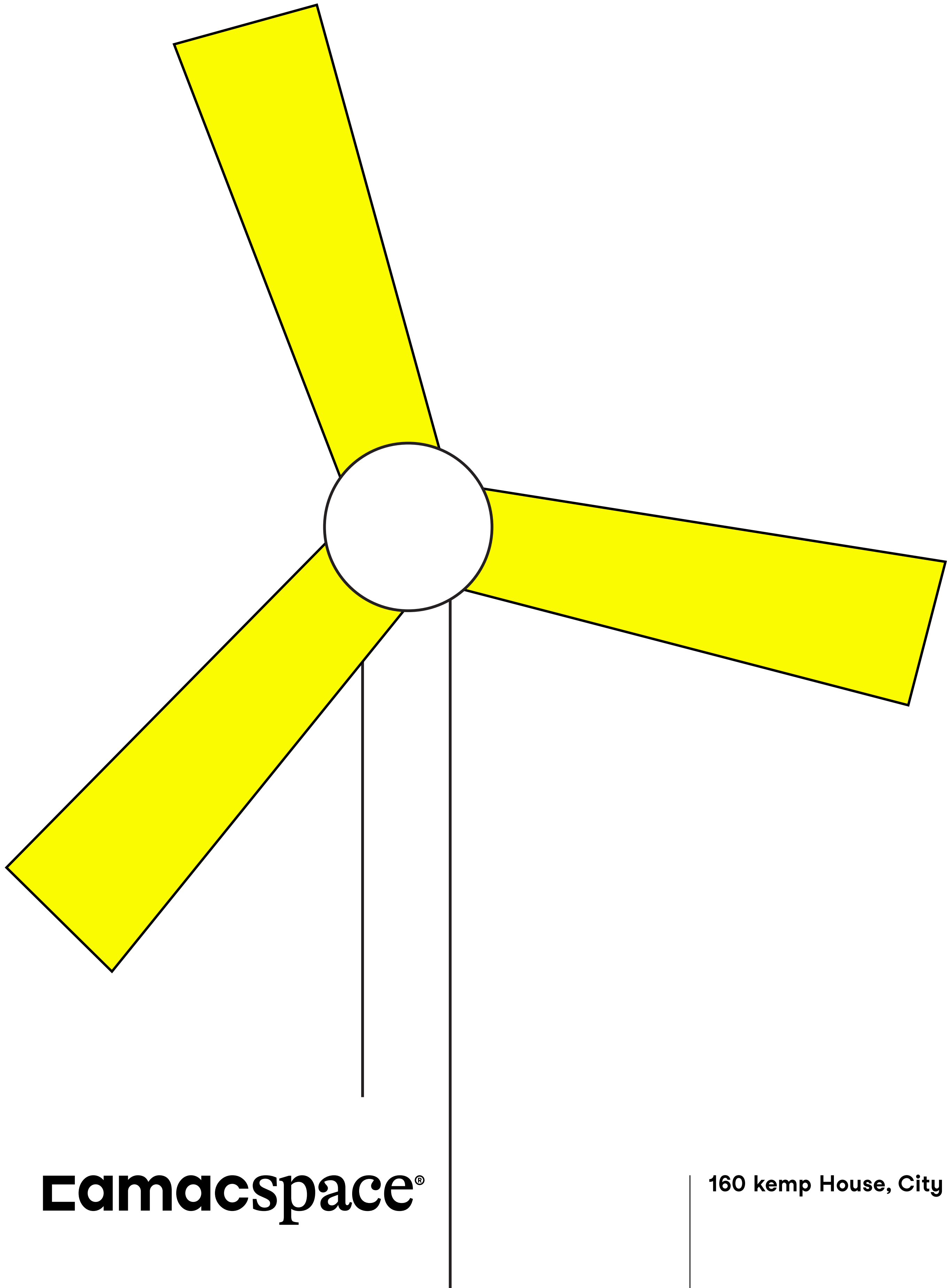
The Sustainable Developing Goals (SDGs) are a common global plan to eradicate extreme poverty, reduce inequality and protect the planet by 2030. They are a collection of 17 interconnected global goals designed as a plan to achieve a better and sustainable future for all[3].

In 2015, it was adopted by 193 countries. The Sustainable Development Goals have emerged from the most inclusive and comprehensive negotiations in the history of the UN and have since inspired people from different sectors, areas, and cultures. The resolution sets out specific objectives for each area, together with indicators to be used to measure progress in each area. The year by which the target is to be reached is usually between 2020 and 2030, although no end date is given for some targets[3].

Areas of sustainable development are: No poverty, Zero hunger, Good health and well-being, Quality education, Gender equality, Clean water and sanitation, Affordable and clean energy, Decent work and economic growth, Industry, innovation and infrastructure, Reducing inequality, Sustainable cities and communities, Responsible consumption and production, Climate action, Life below water, Life on land, Peace, justice and strong institutions, Partnerships for the goals[4].

3. United Nations (2017). Resolution adopted by the General Assembly on 6 July 2017, Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development
4. "SDG Indicators - Global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda for Sustainable Development". United Nations Statistics Division (UNSD).

Net zero carbon emissions



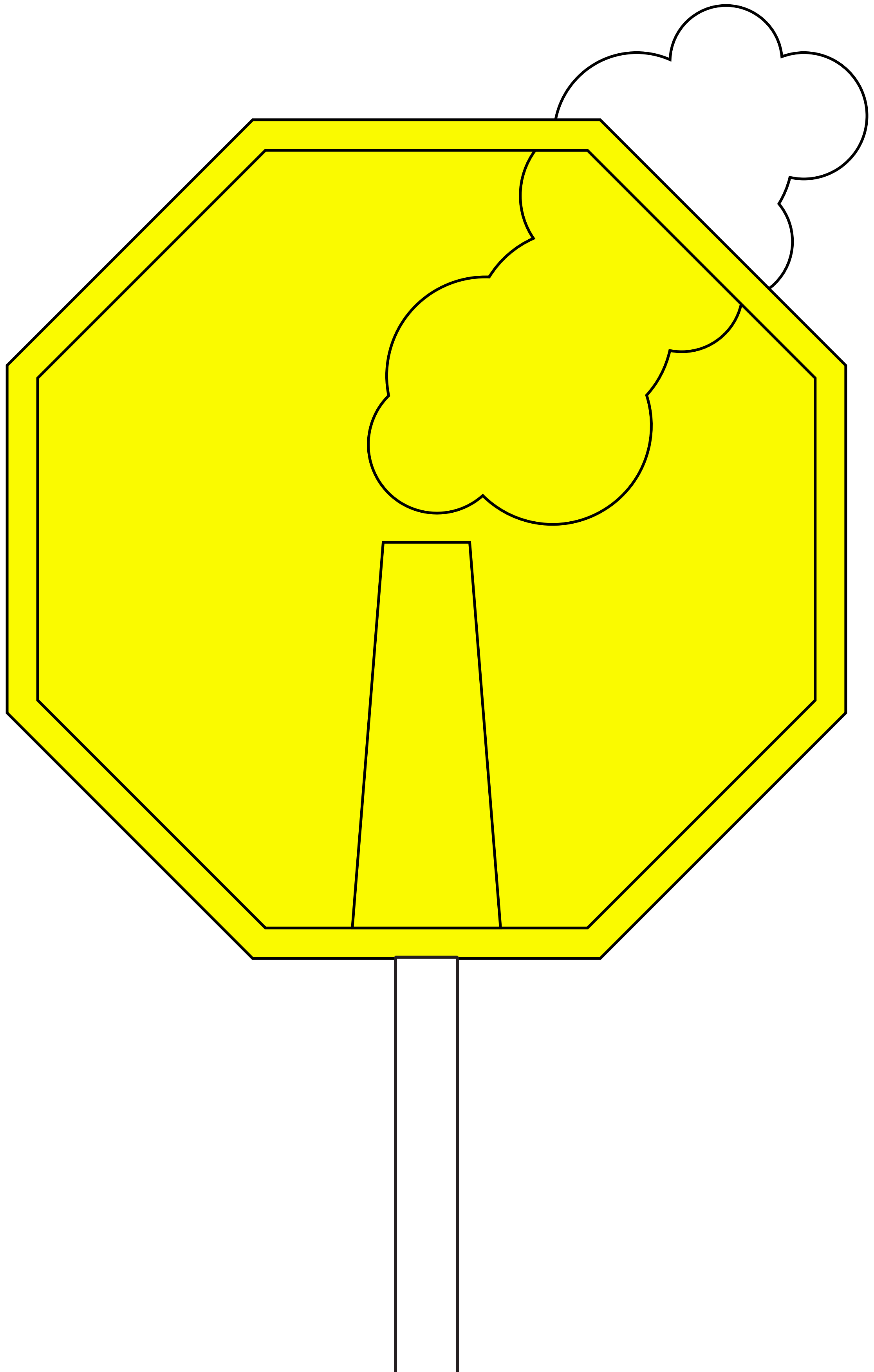
Companies are experiencing increasing pressure from employees, tenants, customers, cities, and stakeholders to adopt more responsible, sustainable business practices. They are expected to have a greater responsibility for preserving the environment, transparency in operations and a proactive approach to solving climate problems[5].

The Commitment to Zero Carbon Buildings (the Commitment) challenges businesses, organizations, cities, states, and regions to reach net zero carbon by 2030 for all assets under their direct control, and to ensure that all buildings will achieve this goal by 2050.

The green levy is a tax imposed by the government on sources of pollution and carbon emissions. The aim is to limit pollution and emissions and to encourage companies and individuals to use renewable energy sources or reduce their carbon footprint. One of the most common green levies is a carbon tax, which taxes businesses or citizens by charging a fee related to their carbon footprint[5].

5. JLL (2021). Decarbonizing the Built Environment. https://www.us.jll.com/en/trends-and-insights/research/decarbonizing-the-built-environment

Trends in the next decade



In the last year, the attitude of investors and the entire real estate industry towards sustainable development has changed significantly.

As many as 93% of real estate investors believe that the pandemic was an indicator that the ESG should be considered as the most important criterion. Among building users, 83% believe that the link between commercial real estate and sustainable development should be a priority for management[6].

Nearly 1,000 senior executives from 20 countries expect some significant changes in commercial real estate[6]. Investing in green, sustainable spaces is becoming an increasingly financially sensible investment. The five main areas where change is expected are:

→ Reducing the company's carbon footprint will become an important part of a company's strategy.
→ Tracking net zero carbon targets is becoming the prevailing trend.
→ Building qualifications and certifications are important.
→ Renovation and refurbishment are becoming the focus.
→ Use technology for progress.

Investors are increasingly investing in benefit, security, and well-being programs to attract and retain talent. They are increasingly focusing on the ESG and how they can best implement it in companies. They are also investing more and more in alternative sectors such as information centres, healthcare and accommodation for the elderly[7].

6. JLL (2021). 5 ways real estate will be greener in 2025. https://www.us.jll.com/en/trends-and-insights/investor/5-ways-real-estate-will-be-greener-in-2025
7. CBRE (2021). 9 Key Trends Influencing Investor Strategies in 2021 & Beyond. https://www.cbre.com/research-and-reports/Key-Trends-Influencing-Investor-Strategies-in-2021-and-Beyond

camac space®

Camac Group Ltd.
160 Kemp House, City Road, London
EC1V 2NX

Contact
hello@camacspace.com
+44(0)-7497769333