Video

Going Beyond the Certificate: The Role of Sustainability Assurance in Real Estate
Date: May 10, 2021

00:00:00 --> 00:00:03: Welcome everyone to this session entitled going beyond the certificate,
00:00:03 --> 00:00:06: the role of sustainability assurance in real estate.
00:00:06 --> 00:00:09: My name is Brianna Wheeler and I'm the director of
00:00:09 --> 00:00:12: operations for Berry in the United States.
00:00:12 --> 00:00:15: Barry is 100 year old building science research organization.
00:00:15 --> 00:00:19: Very delivers standards and solutions that are trusted around the
00:00:19 --> 00:00:22: globe to enable real estate professionals to deliver sustainable,
00:00:22 --> 00:00:25: resilient, healthy and productive communities,
00:00:25 --> 00:00:29: buildings and infrastructure. As a world leading authority on building
00:00:29 --> 00:00:31: science and research,
00:00:31 --> 00:00:34: the call in the late 1980s for sustainable development lead
00:00:34 --> 00:00:37: our organization to sit down and consider what sustainability really
00:00:37 --> 00:00:42: meant for buildings reworking the sustainable development concept of environmental,
00:00:42 --> 00:00:46: social, and economic pillars, we determined that a sustainable building
00:00:46 --> 00:00:48: was one that minimizes environmental impacts,
00:00:48 --> 00:00:51: supports, and protects the health and well being of occupants,
00:00:51 --> 00:00:55: and ensures that the asset is financially viable and creates
00:00:55 --> 00:00:55: value.
00:00:55 --> 00:00:58: But there wasn't a standard anywhere in the world that
00:00:58 --> 00:01:00: set out what that actually meant in practice.
00:01:00 --> 00:01:04: So we created brain. Green was the world's first green
00:01:04 --> 00:01:06: building certification program,

00:01:06 --> 00:01:10: launched in 1993 and today has over 2.3 million registered
00:01:10 --> 00:01:14: projects and over 594 thousand certifications in 88 countries.
00:01:14 --> 00:01:18: The green family of standards are developed using building science
00:01:18 --> 00:01:20: or practical to apply in all types of buildings.
00:01:20 --> 00:01:24: And flexible enough to encourage and recognize innovative solutions to
00:01:24 --> 00:01:26: the impacts that it measures.
00:01:26 --> 00:01:28: As well as drawing on the expertise and many years
00:01:28 --> 00:01:29: experience,
00:01:29 --> 00:01:31: very staff scientists and experts.
00:01:31 --> 00:01:33: We collaborate with the range of industry,
00:01:33 --> 00:01:37: stakeholder groups, professional experts and users to develop the brain
00:01:37 --> 00:01:37: standards.
00:01:37 --> 00:01:41: This collaboration ensures our standards are open to external an
00:01:41 --> 00:01:42: independent scrutiny,
00:01:42 --> 00:01:45: the brain, family of standards can be used for design
00:01:45 --> 00:01:49: and construction through to operations and renovations in buildings.
00:01:49 --> 00:01:52: Buildings are one of the longest enduring human creations,
00:01:52 --> 00:01:55: with most lasting decades and many lasting over centuries.
00:01:55 --> 00:01:58: The choices we make, the design and construction phase are
00:01:58 --> 00:02:02: critically important because they dictate the impacts the building will
00:02:02 --> 00:02:03: continue to have over its lifetime.
00:02:03 --> 00:02:06: Today we're left the legacy of those choices made over
00:02:06 --> 00:02:09: the last 100 plus years of design and construction in
00:02:09 --> 00:02:10: our existing building stock,
00:02:10 --> 00:02:13: and we must deal with this head on to address
00:02:13 --> 00:02:14: climate change.
00:02:14 --> 00:02:18: How buildings impact the environment as they operate is fairly
00:02:18 --> 00:02:19: well known.
00:02:19 --> 00:02:22: It's the energy that we use the refrigerants we choose
00:02:22 --> 00:02:23: the waste we produce,
00:02:23 --> 00:02:28: and the transport transportation choices are site locations discourage or
00:02:28 --> 00:02:32: encourage the real estate industry's focus has recently been really
00:02:32 --> 00:02:36: bout demonstrating how their assets are green or simply doing
00:02:36 --> 00:02:39: less harm. But as we face the climate crisis,

00:02:39 --> 00:02:41: this approach is simply not enough.
00:02:41 --> 00:02:45: As the reality of the climate crisis and its potential
00:02:45 --> 00:02:48: impacts on asset values has really begun to sink in,
00:02:48 --> 00:02:51: we are seeing substantial shifts in what investors are requiring
00:02:51 --> 00:02:55: from asset owners about their sustainability performance,
00:02:55 --> 00:02:59: their interest in the data that underpins certification and expanding
00:02:59 --> 00:03:01: beyond the green to ESG has been driven by big
00:03:01 --> 00:03:04: trends and changes to how our societies live,
00:03:04 --> 00:03:06: work and play. As part of this,
00:03:06 --> 00:03:11: they are also demanding greater transparency and assurance of performance
00:03:11 --> 00:03:15: that goes beyond that green aspect to a more holistic
00:03:15 --> 00:03:17: sustainability measurement.
00:03:17 --> 00:03:20: The pandemic is underlined, the urgency of acting to manage
00:03:20 --> 00:03:22: the risk it is given our industry the opportunity to
00:03:22 --> 00:03:25: think about the world we want to see and the
00:03:25 --> 00:03:26: risk if we do not act in July.
00:03:26 --> 00:03:29: Last year, Brain launched our building back.
00:03:29 --> 00:03:32: Better series to highlight areas where Brain currently supports a
00:03:32 --> 00:03:35: pivot to a more sustainable and just world and what
00:03:35 --> 00:03:38: we're doing to strengthen the standards in these areas.
00:03:38 --> 00:03:41: These are critical areas where we must pivot now to
00:03:41 --> 00:03:44: ensure that sustainable development is achieved in the timeline we
00:03:44 --> 00:03:45: have left.
00:03:45 --> 00:03:47: I want to highlight a few of these areas and
00:03:47 --> 00:03:50: explain where we see existing buildings leading the way.
00:03:50 --> 00:03:52: The first is around net zero carbon while there is
00:03:53 --> 00:03:55: much discussion at the moment about embodied carbon in the
00:03:55 --> 00:03:56: construction cycle,
00:03:56 --> 00:03:59: our industry still has a long way to go to
00:03:59 --> 00:04:02: address the legacy that existing buildings present to us.
00:04:02 --> 00:04:05: The Rocky Mountain Institute notes that while demand for net
00:04:06 --> 00:04:07: zero buildings has grown 700%
00:04:07 --> 00:04:11: between 2012 and 2016, net zero buildings still represent a
00:04:11 --> 00:04:13: tiny fraction of our building stock,
00:04:13 --> 00:04:15: and most of those are new construction,
00:04:15 --> 00:04:19: not retrofits. The new Buildings institute getting to zero buildings.
00:04:19 --> 00:04:23: Database reports just 141 verified net zero buildings and a

00:04:23 --> 00:04:25: further 551 that they classify as emerging.

00:04:25 --> 00:04:28: So these are buildings that have publicly stated a goal

00:04:29 --> 00:04:32: of reaching net zero but have not yet demonstrated achievement.

00:04:32 --> 00:04:36: Even more recently, an article in Urban Land reported around

00:04:36 --> 00:04:40: 700 net zero buildings when off site generation can be

00:04:40 --> 00:04:40: counted.

00:04:40 --> 00:04:44: But this is against a backdrop of 5.6 million existing

00:04:44 --> 00:04:45: buildings in the US.

00:04:45 --> 00:04:49: It's simply not quick enough to ensure that we make

00:04:49 --> 00:04:52: that transition in the time that we have to.

00:04:52 --> 00:04:54: The thing is, the pathway to net zero can feel

00:04:54 --> 00:04:56: incredibly to intimidating.

00:04:56 --> 00:04:57: We're so far from the goal,

00:04:57 --> 00:04:59: and it seems like such a big lift.

00:04:59 --> 00:05:01: But the key here is seeing this as a marathon,

00:05:01 --> 00:05:03: not a Sprint. You're not going to get to net

00:05:03 --> 00:05:04: zero overnight,

00:05:04 --> 00:05:07: but there are incremental steps that you can take that

00:05:07 --> 00:05:11: are meaningful and provide the pathway towards meeting that goal.

00:05:11 --> 00:05:14: The first focus is to maximize the efficiency of the

00:05:14 --> 00:05:16: building envelope and systems in your asset.

00:05:16 --> 00:05:19: Many buildings still have actions that can be taken to

00:05:19 --> 00:05:22: maximize efficiency that have reasonable payback periods.

00:05:22 --> 00:05:26: Bringing uses designed to help evaluate the sufficiency so the

00:05:26 --> 00:05:30: asset owner can identify potential areas for improvement.

00:05:30 --> 00:05:34: Regular retro commissioning and proactive maintenance can keep system performance

00:05:34 --> 00:05:34: at its best.

00:05:34 --> 00:05:38: You'll also want to measure and monitor that performance overtime.

00:05:38 --> 00:05:40: A metric based in carbon such as keyless is CO2

00:05:41 --> 00:05:43: per square foot should be the basis of that measurement.

00:05:43 --> 00:05:46: To ensure that you keep the focus on net zero.

00:05:46 --> 00:05:49: If you aren't measuring your performance in carbon terms,

00:05:49 --> 00:05:52: how will you know how close your asset is performing

00:05:52 --> 00:05:53: to that net zero goal?

00:05:53 --> 00:05:56: Bringing uses always used carbon as the metric by which

00:05:56 --> 00:05:57: we measure an award.

00:05:57 --> 00:06:00: Credits in our program and our program provides an easy

00:06:00 --> 00:06:04: way to calculate the operational energy performance where

the data
00:06:04 --> 00:06:05: is available.
00:06:05 --> 00:06:06: If your building is reached,
00:06:06 --> 00:06:08: the limits of what can be done in economically feasible
00:06:09 --> 00:06:09: way,
00:06:09 --> 00:06:11: it's time to look at bigger steps to be taken
00:06:11 --> 00:06:12: with the asset.
00:06:12 --> 00:06:16: We know that most existing buildings will need deep retrofits
00:06:16 --> 00:06:18: in order to become next zero start planning.
00:06:18 --> 00:06:21: Now, many projects focus on what the ROI will be
00:06:21 --> 00:06:23: specifically to operating costs,
00:06:23 --> 00:06:26: but these projects should be seen in a larger context.
00:06:26 --> 00:06:29: For example, how can these projects help ensure that the
00:06:29 --> 00:06:32: asset complies with expected regulatory changes or prevent the asset
00:06:32 --> 00:06:35: from losing value in the future to investors or owners
00:06:35 --> 00:06:38: who've made net zero commitments?
00:06:38 --> 00:06:41: After considering efficiency, then you should look at shifting the
00:06:42 --> 00:06:43: energy sources from fossil fuels.
00:06:43 --> 00:06:46: So you first need to know obviously what fuels your
00:06:46 --> 00:06:49: building systems use and seek to reduce that usage through
00:06:49 --> 00:06:50: the efficiency.
00:06:50 --> 00:06:53: The second thing you can do is maximizing onsite or
00:06:53 --> 00:06:54: microgrid renewables.
00:06:54 --> 00:06:57: These support asset resilience as well as provide zero GHG
00:06:58 --> 00:06:59: emission electricity.
00:06:59 --> 00:07:02: And then finally, you'll look to source offsite renewables.
00:07:02 --> 00:07:05: Only once all the onsite options have been exhausted.
00:07:05 --> 00:07:07: So bring only accepts on site.
00:07:07 --> 00:07:10: Renewables in the way that we measure net zero.
00:07:10 --> 00:07:14: Our operational energy calculator takes into account the CO2 emission
00:07:14 --> 00:07:15: factor for the assets grid,
00:07:15 --> 00:07:19: which prevents any potential double counting where offsite renewables are
00:07:20 --> 00:07:20: sources.
00:07:20 --> 00:07:23: We don't accept green power purchased via utilities or any
00:07:23 --> 00:07:24: kind of offsets.
00:07:24 --> 00:07:27: Offsets simply don't deliver what we need,
00:07:27 --> 00:07:30: which is a reduction in the carbon emissions entering the
00:07:30 --> 00:07:31: atmosphere.
00:07:31 --> 00:07:36: Our focus is on meaningful and verifiable carbon emission

reporting.

00:07:36 --> 00:07:38: So what happens if you're asked that doesn't have access

00:07:38 --> 00:07:39: to the energy data?

00:07:39 --> 00:07:43: Maybe the tenant is directly responsible and doesn't share information,

00:07:43 --> 00:07:46: so BRIHM allows for the independent assessment of the physical

00:07:46 --> 00:07:48: building and its operational performance.

00:07:48 --> 00:07:51: So these types of assets should start with where they

00:07:51 --> 00:07:54: have control and utilized the process to develop or improve

00:07:54 --> 00:07:57: their relationship with the tenant with the aim of beginning

00:07:57 --> 00:07:59: the data sharing process.

00:07:59 --> 00:08:03: The final action to take is looking to address refrigerants.

00:08:03 --> 00:08:06: This is not something that's often talked about and this

00:08:06 --> 00:08:09: is not something that traditionally is in the definition of

00:08:09 --> 00:08:11: what a net zero carbon building is.

00:08:11 --> 00:08:14: But refrigerants are potent GHG's and leaks are a small

00:08:14 --> 00:08:17: but significant source of building emissions.

00:08:17 --> 00:08:20: All assets should look to ensure that leaks are prevented

00:08:20 --> 00:08:23: and refrigerants with a high global warming potential or replaced

00:08:23 --> 00:08:26: with those with a low global warming potential.

00:08:26 --> 00:08:28: The Bring USA in use standard provides a list of

00:08:29 --> 00:08:30: commonly used refrigerants.

00:08:30 --> 00:08:34: And their global warming potential for reference.

00:08:34 --> 00:08:37: The second topic I want to talk about today is

00:08:37 --> 00:08:38: resilience.

00:08:38 --> 00:08:41: So resilience was rising in importance before the pandemic,

00:08:41 --> 00:08:44: thanks to the increasing number of weather related disasters and

00:08:44 --> 00:08:47: the impacts that these are having on insurance premiums.

00:08:47 --> 00:08:50: Insurance was once seen as the primary method for protecting

00:08:50 --> 00:08:50: asset value,

00:08:50 --> 00:08:54: but it's becoming clear that there are aspects that insurance

00:08:54 --> 00:08:54: doesn't cover,

00:08:54 --> 00:08:56: such as a depression in property values.

00:08:56 --> 00:08:58: Post event.

00:08:58 --> 00:09:02: The second factor, an arguably driving the urgency today,

00:09:02 --> 00:09:05: is that investors are demanding to know more about the

00:09:05 --> 00:09:06: risks to their investments.

00:09:06 --> 00:09:10: There are multitude of investor tools to report ESG risk

00:09:10 --> 00:09:14: and specific regulation in this area is expected very soon.

00:09:14 --> 00:09:18: The task force on climate related financial disclosures has provided

00:09:18 --> 00:09:21: a framework to think about not just the impacts of

00:09:21 --> 00:09:24: events that could physically damage the assets and investments,

00:09:24 --> 00:09:27: but also thinking about the transition risks to a low

00:09:27 --> 00:09:28: carbon economy.

00:09:28 --> 00:09:32: Many more companies are reporting using this framework and this

00:09:32 --> 00:09:36: is expected to grow significantly in the coming years.

00:09:36 --> 00:09:37: I bury our Center for resilience.

00:09:37 --> 00:09:40: Has worked to identify the critical issues that need to

00:09:40 --> 00:09:43: be addressed as we develop and improve the homes,

00:09:43 --> 00:09:46: buildings and communities that underpin our lives into the future.

00:09:46 --> 00:09:50: We undertake collaborative research and seek to develop new standards

00:09:50 --> 00:09:53: and create the next generation of resilient materials,

00:09:53 --> 00:09:56: products, designs, and innovations that will ensure the robustness and

00:09:56 --> 00:09:58: longevity of our built infrastructure.

00:09:58 --> 00:10:03: This research has helped inform the development of resilience aspects

00:10:03 --> 00:10:04: of bringing to date.

00:10:04 --> 00:10:07: So we know that brain helps shape decision making at

00:10:07 --> 00:10:08: all phases.

00:10:08 --> 00:10:10: Is built building life cycle all over the world bream

00:10:10 --> 00:10:13: and all the other rating systems that have come after

00:10:13 --> 00:10:16: us have pretty exclusively focused on mitigation to date.

00:10:16 --> 00:10:20: So essentially about minimizing the environmental impacts that come from

00:10:20 --> 00:10:21: buildings.

00:10:21 --> 00:10:24: Breen has also included some aspects of adaptation,

00:10:24 --> 00:10:27: but they were fairly minimal and the number of credits

00:10:27 --> 00:10:30: offered were small in the context of the whole rating

00:10:30 --> 00:10:30: system,

00:10:30 --> 00:10:33: we knew we needed to update the definition of what

00:10:33 --> 00:10:34: a sustainable building is.

00:10:34 --> 00:10:39: To include resilience. So in 2020 we strengthened our approach

00:10:39 --> 00:10:42: by bringing in more elements to support adaptation.

00:10:42 --> 00:10:47: We also introduced a new resilience category into the brain

00:10:47 --> 00:10:48: family of standards.

00:10:48 --> 00:10:51: So first introduced in bringing use or standard for existing

00:10:51 --> 00:10:52: buildings.
00:10:52 --> 00:10:57: This category includes resilience alongside environmental performance and human health
00:10:57 --> 00:10:57: and well being.
00:10:57 --> 00:11:00: As part of how we define a sustainable asset.
00:11:00 --> 00:11:03: Rain encourages assets to understand and take action.
00:11:03 --> 00:11:06: To protect the asset against the physical risks as it
00:11:06 --> 00:11:08: is done for many years.
00:11:08 --> 00:11:11: But this has now been expanded to include transitional risks
00:11:11 --> 00:11:13: as recommended by the CFD and social risks.
00:11:13 --> 00:11:16: It really is a game changer for measuring and reporting
00:11:17 --> 00:11:19: sustainability holistically for buildings.
00:11:19 --> 00:11:22: Further work is being done to expand resilience through the
00:11:22 --> 00:11:24: bring family of standards.
00:11:24 --> 00:11:27: The resilience category will be incorporated into all of our
00:11:27 --> 00:11:31: standards and the criteria specific to the lifecycle phase will
00:11:31 --> 00:11:32: be developed around the four ours,
00:11:32 --> 00:11:35: so resistance, reliability, redundancy and response.
00:11:35 --> 00:11:38: Slash recovery.
00:11:38 --> 00:11:41: The final topic I want to highlight today is social
00:11:41 --> 00:11:41: impact.
00:11:41 --> 00:11:45: So poor building performance has real consequences beyond the impact
00:11:45 --> 00:11:47: on the financial bottom line.
00:11:47 --> 00:11:50: Our industry is only now just starting to fully acknowledge
00:11:50 --> 00:11:54: how the environment performance of our built environment impacts health
00:11:54 --> 00:11:58: mortality outcomes in our communities and how that in turn
00:11:58 --> 00:12:01: impacts on our Community and our economic resilience.
00:12:01 --> 00:12:05: We are all impacted, though it's critical to acknowledge the
00:12:05 --> 00:12:07: impacts are not equally experienced or equally shared.
00:12:07 --> 00:12:12: The negative impacts are disproportionately experienced by lower income communities
00:12:12 --> 00:12:13: and communities of color.
00:12:13 --> 00:12:17: In particular, these negative impacts ripple through our societies and
00:12:17 --> 00:12:21: undermine the social resilience and cohesion of our communities.
00:12:21 --> 00:12:25: The expectation that the built environment should create tangible benefits
00:12:25 --> 00:12:27: to society has become widespread.
00:12:27 --> 00:12:32: Investors, owners, governments and other stakeholders increasingly recognize the need

00:12:32 --> 00:12:36: to better understand the broader social impacts from the built
00:12:36 --> 00:12:37: environment,
00:12:37 --> 00:12:39: and this has created a need to identify how the
00:12:39 --> 00:12:44: built environment can best deliver social value throughout the lifecycle,
00:12:44 --> 00:12:49: including ways to quantify, manage and improve social value outcomes.
00:12:49 --> 00:12:52: So many organizations are seeking to align their activities with
00:12:52 --> 00:12:57: international initiatives such as the United Nations Sustainable Development Goals
00:12:57 --> 00:12:58: and these goals in particular,
00:12:58 --> 00:13:00: seek to address global challenges,
00:13:00 --> 00:13:04: including poverty and other societal inequality's
00:13:04 --> 00:13:07: Similarly, more businesses are starting to use environmental,
00:13:07 --> 00:13:11: social and governance factors or ESG to evaluate how successfully
00:13:11 --> 00:13:16: they have introduced sustainability strategies to improve performance and outcomes,
00:13:16 --> 00:13:19: manage risk, and ultimately grow business value.
00:13:19 --> 00:13:22: So this rearrangement of the SDG shows how the alignment
00:13:22 --> 00:13:24: really sits between SGS and ESG,
00:13:24 --> 00:13:27: and this is a great graphic from the Stockholm Resilience
00:13:27 --> 00:13:30: Centre because it really shows in this pyramid fashion how
00:13:31 --> 00:13:32: one thing underpins another.
00:13:32 --> 00:13:35: The natural environment underpinning our society.
00:13:35 --> 00:13:39: Which underpins our economy. Ensuring that our built environment contributes
00:13:39 --> 00:13:43: positively to social value is really critical to our social
00:13:43 --> 00:13:46: cohesion and the resilience of our communities to face the
00:13:46 --> 00:13:49: challenges ahead.
00:13:49 --> 00:13:51: For bream we've taken a number of steps in this
00:13:51 --> 00:13:51: area.
00:13:51 --> 00:13:54: In early 2020 we mapped each of our standards for
00:13:54 --> 00:13:57: buildings to the SDGS and published this on our website.
00:13:57 --> 00:14:01: This helped us further strengthen social impact through debris menu
00:14:01 --> 00:14:03: standard which launched in May 2020.
00:14:03 --> 00:14:07: Some of the ways that bring news addresses social impact
00:14:07 --> 00:14:07: include.
00:14:07 --> 00:14:12: Referencing and linking our categories to the relevant sustainable development
00:14:12 --> 00:14:13: goals.
00:14:13 --> 00:14:18: Including information on the links between environmental

performance and social

00:14:19 --> 00:14:19: equity.

00:14:19 --> 00:14:25: Encouraging inclusive spaces using universal design principles.

00:14:25 --> 00:14:28: Encouraging assets to see their own resilience is linked to

00:14:28 --> 00:14:29: their community's support.

00:14:29 --> 00:14:33: The broader community, by acting as a resource in times

00:14:33 --> 00:14:34: of crisis.

00:14:34 --> 00:14:38: And finally, considering the impact of security arrangements at assets,

00:14:38 --> 00:14:44: how that impacts equity in their neighborhood and community.

00:14:44 --> 00:14:47: In summer 2020, we published our first report on where

00:14:47 --> 00:14:50: we see Brain contributing to social value in real estate,

00:14:50 --> 00:14:54: and it was just the beginning because as we've seen,

00:14:54 --> 00:14:57: there's very little industry cohesion around this conversation.

00:14:57 --> 00:14:59: If we're just getting started,

00:14:59 --> 00:15:02: and in fact in March this year you'll I published

00:15:02 --> 00:15:04: a report expanding on these issues,

00:15:04 --> 00:15:09: an highlighting that we have significant opportunity as an industry

00:15:09 --> 00:15:13: to rethink and re purpose real estate to address inequities.

00:15:13 --> 00:15:14: And our report from the form,

00:15:14 --> 00:15:17: the basis of that research for that report,

00:15:17 --> 00:15:20: and we're really excited to see this topic gaining traction.

00:15:23 --> 00:15:26: So finally to the role of asset certification,

00:15:26 --> 00:15:28: the next 30 years are going to be times of

00:15:28 --> 00:15:30: fast-paced changed in real estate,

00:15:30 --> 00:15:34: there is significant of that investment available now for asset

00:15:34 --> 00:15:37: owners who provide confidence that they can,

00:15:37 --> 00:15:41: will and do deliver on their sustainability commitments.

00:15:41 --> 00:15:44: So when setting commitments that require action to be taken

00:15:44 --> 00:15:45: year over year to meet them,

00:15:45 --> 00:15:50: organizations must think really carefully about how the asset certification

00:15:50 --> 00:15:53: programs they are using help them deliver those goals while

00:15:53 --> 00:15:56: protecting asset value over the long term.

00:15:56 --> 00:16:00: This means continual improvement pursued over many years to drive

00:16:00 --> 00:16:01: towards this longer term goal.

00:16:01 --> 00:16:05: So when you're choosing a certification for an asset or

00:16:05 --> 00:16:07: multiple assets in a portfolio,

00:16:07 --> 00:16:09: I want you to ask yourself three questions.

00:16:09 --> 00:16:12: The first is if my asset got a perfect score.

00:16:12 --> 00:16:15: Using this system, would it be recognized as one of

00:16:15 --> 00:16:19: the most sustainable buildings in the world on a global

00:16:19 --> 00:16:20: scale?

00:16:20 --> 00:16:23: The second one is does going through the process help

00:16:23 --> 00:16:26: me deliver a better performing building while protecting and growing

00:16:27 --> 00:16:28: that asset value for the future?

00:16:28 --> 00:16:32: And the final question, does this process contribute to my

00:16:32 --> 00:16:37: organization's risk management processes and deliver investor confidence?

00:16:37 --> 00:16:40: I can tell you how brain delivers in each of

00:16:40 --> 00:16:41: these core areas,

00:16:41 --> 00:16:44: so the first thing is that bring provides a kredible

00:16:44 --> 00:16:46: and rigorous definition of sustainable value.

00:16:46 --> 00:16:49: It is science based. It goes beyond just green to

00:16:49 --> 00:16:53: incorporate people an prosperity and provides a method that can

00:16:53 --> 00:16:57: be used regardless of the asset types the organization has.

00:16:57 --> 00:17:00: It also provides quite crucially a pathway to improvement brain

00:17:00 --> 00:17:02: meets buildings where they are.

00:17:02 --> 00:17:06: We welcome those buildings that are the highest performing already

00:17:06 --> 00:17:09: and we welcome those that are just getting started.

00:17:09 --> 00:17:13: We need all these buildings to complete this journey and

00:17:13 --> 00:17:17: bring can help any asset achieve and improve.

00:17:17 --> 00:17:20: The second thing is that bring supports measuring and managing

00:17:20 --> 00:17:23: performance scale one building at a time.

00:17:23 --> 00:17:26: A demonstration project here and there to show best in

00:17:26 --> 00:17:28: class is great to show us all what is possible,

00:17:28 --> 00:17:32: but it doesn't move the needle fast enough to address

00:17:32 --> 00:17:32: climate change.

00:17:32 --> 00:17:37: Continual improvement of building performance is critical and the solution

00:17:37 --> 00:17:40: needs to encourage this at a scale that is both

00:17:40 --> 00:17:41: accessible and cost effective.

00:17:41 --> 00:17:45: It needs to be focused on building performance outcomes and

00:17:45 --> 00:17:48: transition data into actionable information.

00:17:48 --> 00:17:52: Our program is focused on providing the insights needed to

00:17:52 --> 00:17:53: make this possible.

00:17:53 --> 00:17:56: In addition to certification.

00:17:56 --> 00:17:59: And finally, this needs to be about assurance.

00:17:59 --> 00:18:01: Certification with dream is more than a prize.

00:18:01 --> 00:18:05: It is a true and Fairview of the sustainability performance

00:18:05 --> 00:18:09: to provide assurance to stakeholders whether they be investors or

00:18:09 --> 00:18:12: tenants or even your own employees.

00:18:12 --> 00:18:13: So why does insurance matter?

00:18:13 --> 00:18:16: Well, let's think about how we treat financial data of

00:18:16 --> 00:18:17: companies.

00:18:17 --> 00:18:20: We expect companies to be audited by an independent external

00:18:20 --> 00:18:24: auditor to confirm that their financial performance has been calculated

00:18:24 --> 00:18:27: using an industry standard or industry defined approach.

00:18:27 --> 00:18:30: The ultimate goal of these standards is to ensure that

00:18:30 --> 00:18:33: a company's financial statements are complete,

00:18:33 --> 00:18:36: consistent, and compatible. Most importantly,

00:18:36 --> 00:18:40: it provides investors transparency of the performance.

00:18:40 --> 00:18:44: Bring provides the same thing but for sustainability performance in

00:18:44 --> 00:18:45: assets.

00:18:45 --> 00:18:48: So in our program asset owners contract with an independent

00:18:48 --> 00:18:51: licensed assessor could be known as an auditor to confirm

00:18:51 --> 00:18:55: that their performance meets the brain standard which has been

00:18:55 --> 00:18:59: set by BRER. Accreditation ensures that our certification program operates

00:18:59 --> 00:19:00: in a competent,

00:19:00 --> 00:19:04: consistent an impartial manner and we are externally audited to

00:19:04 --> 00:19:07: monitor compliance with international standards.

00:19:07 --> 00:19:11: Trust is critical trust in the rigor and credibility of

00:19:11 --> 00:19:12: the standard and process,

00:19:12 --> 00:19:15: as is accessibility. Bring is designed to be for all

00:19:15 --> 00:19:16: these buildings,

00:19:16 --> 00:19:19: not just in the standard but in the affordability of

00:19:19 --> 00:19:20: the program.

00:19:20 --> 00:19:24: With billions of dollars in investment money being made on

00:19:24 --> 00:19:26: the basis of ESG performance,

00:19:26 --> 00:19:29: the importance of the quality of the data and the

00:19:29 --> 00:19:33: independent verification that the performance is sound is growing.

00:19:33 --> 00:19:37: With investors. This kind of assurance also supports good

business

00:19:37 --> 00:19:41: decision making to bring certified data provides the basis for

00:19:41 --> 00:19:45: being able to stress test portfolios against risks and potential

00:19:45 --> 00:19:48: future regulatory obligations. And we know these are coming.

00:19:48 --> 00:19:51: This can work with any any size portfolio.

00:19:51 --> 00:19:55: And our program provides a platform that can support this

00:19:55 --> 00:19:56: risk management approach.

00:19:56 --> 00:20:00: So holistic, scalable, cost effective,

00:20:00 --> 00:20:04: incredible. This is what all asset owners should be demanding

00:20:04 --> 00:20:06: of their building certification programs,

00:20:06 --> 00:20:09: our industry, our people and communities,

00:20:09 --> 00:20:12: and ultimately our economy depends on real action.

00:20:12 --> 00:20:17: Bring provides the science lead solution to today's built environment

00:20:17 --> 00:20:17: challenges.

00:20:17 --> 00:20:21: You can learn more about brain by visiting our website

00:20:21 --> 00:20:25: at www.green.com/USA or you can reach out to me directly

00:20:25 --> 00:20:28: my email address and phone number are shown on the

00:20:28 --> 00:20:31: slide. Thank you for your time today to learn more

00:20:31 --> 00:20:33: about the role of sustainability assurance in real estate.

00:20:33 --> 00:20:37: I hope you enjoy the rest of your day.
