

# Fitwel's Guide to Measuring "S"

## QUANTIFYING ESG FROM A PEOPLE PERSPECTIVE



## INTRODUCTION

# Leveraging Fitwel to Enhance ESG Performance

With Environmental, Social, and Governance (ESG) investments on track to surpass \$53 trillion by 2025, the real estate industry requires data-driven solutions that provide metrics and insights on material risk. Fitwel's healthy building platform offers just that: a viable entity-wide approach for consistently tracking and integrating people-centric metrics to quantify the "S" in ESG.

## 5 KEY AREAS FOR ASSESSING "S" IN ESG REPORTING



**Location**



**Operations & Performance**



**Amenities**



**Design**



**Programming & Evaluation**

“ The real estate industry has been thinking in terms of brick-and-mortar risk, but it will need to better understand how to minimize the impact [of] climate change on the people in buildings. After all, it's people that ultimately determine the value of real estate.

**Joanna Frank**

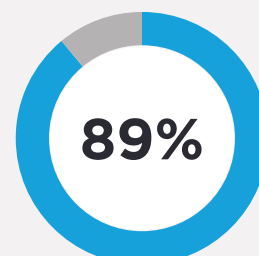
*President & CEO, Center for Active Design*

From Bisnow, More Regulation, Less Revenue: What CRE Execs Worry About For 2023

To future-proof portfolios of assets, all aspects of the real estate industry will include data-driven decision-making and a renewed focus on individual as well as societal health.

**89% of investors surveyed report incorporating health and wellness into their ESG strategy.**

Key findings from [New Investor Consensus: the Rising Demand for Health Buildings](#)





# Location

## Optimize Location to Respond to Market Demand

### Respond to Market Demand

Commercial rent premiums of walkable urban places are 75% higher than those in drivable suburban places.

Optimize location through the following asset-level **Fitwel** strategies to boost positive impact on corresponding entity-wide metrics.

### FITWEL STRATEGIES

### “S” METRICS

Walkability Safe Street Infrastructure	}]	Average Walk Score®
Bike Path Bike Share Long-Term Bike Parking Short-Term Bike Parking Safe Street Infrastructure	}]	Average Bike Score®
Flood- and Fire-Prone Zones	}]	Number of Properties in a Flood Zone Number of Properties in a Fire Hazard Area
Proximity to Transit Pedestrian Route to Transit Enhanced Transit Stops	}]	Average Transit Score®
Economically Diverse Housing Mix	}]	Percentage of Units Available Below Market

### Five commonly tracked metrics used to describe health and wellness efforts.

Key findings from [New Investor Consensus: the Rising Demand for Health Buildings](#)

79%	Tenant satisfaction surveys
74%	Emergency preparedness
68%	Indoor air quality testing
63%	Walk Score®
61%	Pursuit of healthy building certification





# Operations & Performance

Implement Rigorous Operational Policies and Performance Testing to Increase Net Promoter Score and Productivity

## Enhance Productivity

Increasing outdoor air ventilation from 20 cubic feet per minute (CFM) to 40 CFM per person can result in as much as \$6,500 in improved productivity per person per year.

Strengthen operations and performance through the following asset-level **Fitwel** strategies to boost positive impact on corresponding entity-wide metrics.

### FITWEL STRATEGIES

Indoor Air Quality Policy  
Indoor Air Quality Assessment



### “S” METRICS

% of Assets Meeting Indoor Air Quality Levels

Water Quality Testing  
Legionella Management Plan



% of Assets Meeting Water Quality Levels

Emergency Preparedness Plan  
Certified First Responders



Ratio of First Responders to Total Occupants  
Number of Emergency Scenarios Addressed

## Fitwel Score is positively correlated with Net Promoter score



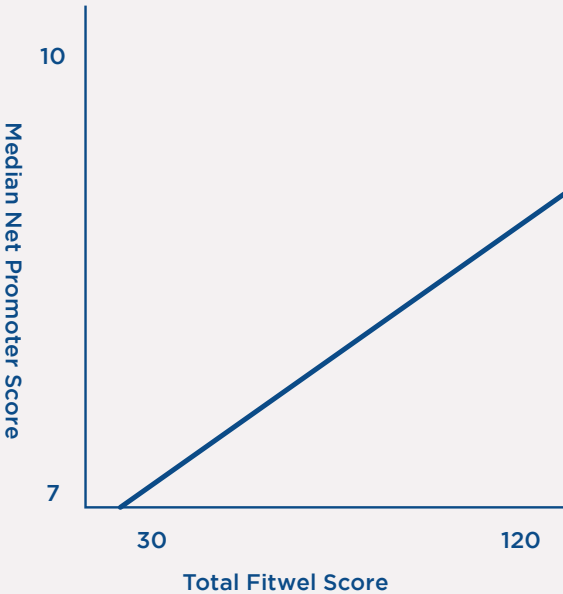
Healthy food access drives Net Promoter score.



Operations drive net promoter score.



Location drives residential rent.





# Amenities

## Improve Access to Resources and Amenities to Increase Property Values

### Increase Property Values

Tree canopy cover is associated with increased property values, with a 1-percentage point increase in tree canopy cover contributing to a \$9,271 to \$9,836 increase in sales price.

Provide effective amenities and resources through the following asset-level **Fitwel** strategies to boost positive impact on corresponding entity-wide metrics.

### FITWEL STRATEGIES

Farmer's Market  
Full Service Grocery Store



Fitness Facility  
Exercise Room  
Outdoor Fitness Equipment



Lactation Room or Station



Emergency Preparedness Plan  
Certified First Responders



Walking Trail  
Restorative Garden  
Outdoor Space Amenity  
Street Trees



### "S" METRICS

Percentage of Occupants with Fresh Produce Available within ½ Mile

Square Footage of Space Dedicated to Physical Activity Per Person

Ratio of Lactation Stations to Occupants

Number of Emergency Scenarios Addressed  
Number of Certified First Responders

Acreage of Outdoor Green Space within ½ Mile

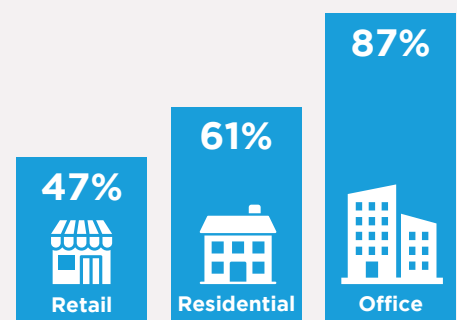
Average Tree Cover

Percentage of Occupants Located within ½ Mile/800 Meters of Green Space

### Tenants Driving Demand

Investors say tenants from the office, residential, and retail sectors are driving demand for healthy buildings.

Key findings from [New Investor Consensus: the Rising Demand for Health Buildings](#)





# Design

## Design Spaces for Health to Promote Productivity

### Grow GDP

Optimizing daylight and views has the potential to generate \$352B, or 1.7% of the 2018 U.S. gross domestic product (GDP), in additional productivity.

Design spaces to promote health through the following asset-level **Fitwel** strategies to boost positive impact on corresponding entity-wide metrics.

### FITWEL STRATEGIES

Universally Accessible Site  
Universally Accessible Water  
Bottle Refilling Stations  
Universally Accessible Restrooms

Access to Daylight  
Views of Nature

Interior Acoustic Comfort  
Exterior Acoustic Comfort

### "S" METRICS

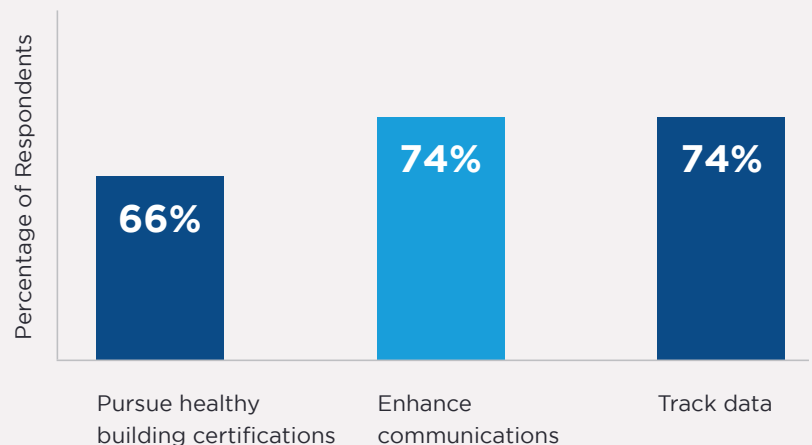
Percentage of Spaces Accessible to All

Percentage of Occupants with Access to Daylight and/or Views of Nature

Average Number of Reported Noise Complaints Annually

### Investors demand enhanced health and wellness data

89.5% of investors plan to enhance their health and wellness strategy in the future. Among surveyed investors, tracking data and enhancing communications emerged as key priorities.



Key findings from [New Investor Consensus: the Rising Demand for Health Buildings](#)



# Programming & Evaluation

## Implement Programming and Evaluation to Improve Tenant Retention

### Improve Tenant Retention

Tenant engagement improves retention, reducing risk of tenant turnover which can cost up to \$1 million per tenant within the commercial sector.

Implement programming and evaluation efforts to promote health through the following asset-level **Fitwel** strategies to boost positive impact on corresponding entity-wide metrics.

### FITWEL STRATEGIES

Occupant Satisfaction Survey  
Stakeholder Collaboration Plan

Health Promotion Programming  
Streetscape Events

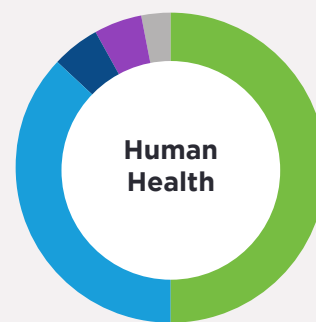
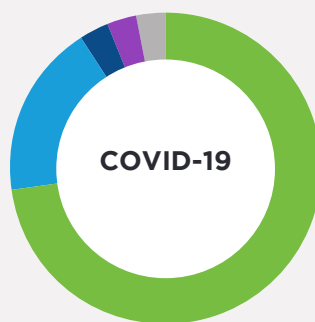
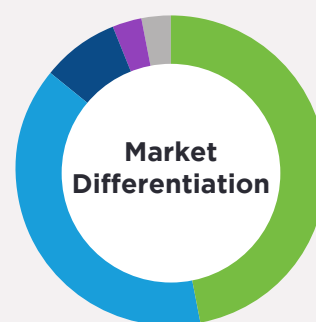
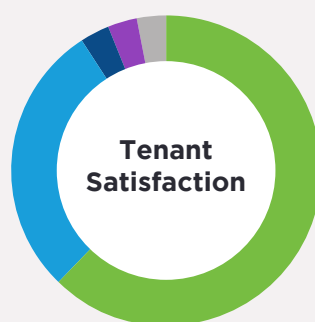
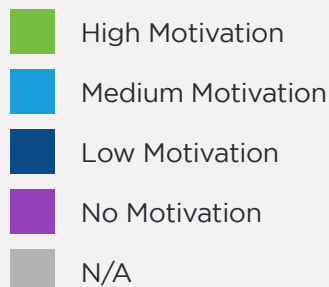
### “S” METRICS

Tenant Satisfaction  
Net Promoter Score  
Tenant Retention

Average Number of Programs  
Offered Annually  
Average Participation Rate

### Motivations for investing in health and wellness

Top four reasons for investing in healthy buildings, as cited by percentage of investors.



Key findings from [New Investor Consensus: the Rising Demand for Health Buildings](#)

## About This Guide

Based on exploration and analysis of academic research and leading ESG frameworks and interviews with leading stakeholders, this guide offers a glimpse into our findings about the connection between health and ESG reporting. This is our initial guide, and part of a larger commitment to support the industry in quantifying the “S” in ESG.

## About Fitwel

Fitwel is a people-centric real estate certification platform committed to **building health for all**®. Generated by expert analysis of over 5,600 academic research studies, Fitwel was originally created by the U.S. Centers for Disease Control (CDC) and Prevention and U.S. General Services Administration. The CDC remains the research and evaluation partner for Fitwel.

## References

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## Ready to integrate Fitwel into your ESG reporting?

Contact Carter Ahlbrandt at [carter@centerforactivedesign.org](mailto:carter@centerforactivedesign.org) for more information.



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