



NORGES BANK  
REAL ESTATE MANAGEMENT

# ENVIRONMENTALLY SUSTAINABLE MANAGEMENT

GUIDANCE FOR  
REAL ESTATE  
INVESTMENTS



# Environmentally sustainable management

---

**Norges Bank Real Estate Management is responsible for managing the unlisted real estate assets of the Norwegian Government Pension Fund Global. We work to safeguard and build financial wealth for future generations. We attach importance to managing the properties we own in a responsible and environmentally sustainable manner, and believe this supports our goal to achieve the highest possible long-term return. We will, as a starting point and where appropriate, base our responsible investment practices in unlisted real estate on internationally recognised standards.**

## **PURPOSE**

The scope of this document is limited to environmental issues within the broader spectrum of responsible investment practices in unlisted real estate. Its purpose is to express what Norges Bank Real Estate Management regards as responsible and commercially viable operating principles for real estate investments in the area of environmentally sustainable management. We believe that implementing these principles will contribute to higher demand for our buildings, lower operating costs, more productive workplaces, and less regulatory risk. It serves as a starting point for working with our real estate partners and asset managers to ensure that our properties are managed in a responsible and environmentally sustainable manner.

## **RELEVANCE**

Environmentally sustainable management is a rising trend in real estate markets. There is growing demand for greener, more efficient, and higher quality buildings in the markets in which we invest. The challenge of climate change, both the physical impacts and the regulatory and technological responses, is generating risks and opportunities for real estate investors. We will address these trends

through close collaboration with our real estate partners, and by ensuring that our wholly-owned buildings are managed to a high standard.

## **GUIDANCE FOR ENVIRONMENTALLY SUSTAINABLE MANAGEMENT**

Norges Bank Real Estate Management is committed to being a responsible partner and property owner. We expect our real estate partners and asset managers to be open, responsive and proactive in implementing these operating principles in collaboration with us.

### **A.**

#### **IMPLEMENT SUSTAINABILITY PLANS**

- All annual business plans should include measurable sustainability actions that identify expected timeframe, investment costs, and impacts.
- All refurbishment plans affecting energy, water, or waste should contain actions that lead to greater energy and water efficiency, and better waste management.
- All new construction and major renovation plans should include sustainability actions that anticipate trends in green building regulations, technology, and market demand.

**B.**  
**OBTAIN GREEN BUILDING CERTIFICATIONS  
AND ENERGY RATINGS**

- For green certified buildings, certification should be maintained at a level equivalent to original certification or above. For energy rated buildings, energy ratings should be maintained at equivalent level or above.
- For non-green-certified office and retail buildings, there should be a plan for obtaining a green building certification. For buildings with no energy rating, there should be a plan for obtaining an energy rating.
- For new construction and major renovation projects, a green building certification and an energy rating should be obtained at a level considered high in the local market.

**C.**  
**DEMONSTRATE SUSTAINABILITY  
IMPROVEMENT**

- The GRESB Real Estate Assessment should be completed on an annual basis to benchmark investments and demonstrate improvements in performance related scores.
- Building level information on energy use, water consumption, and waste management should be collected on a quarterly basis to monitor building performance.
- We will hold a dialogue with our real estate partners and asset managers to discuss major sustainability plans and initiatives affecting our investments.



Photo: Jeffery Peters



NORGES BANK REAL ESTATE MANAGEMENT  
Banklassen 2, P.O. Box 1179 Sentrum, N-0107 Oslo, Norway  
T: +47 24 07 30 00, [www.nbim.no](http://www.nbim.no)