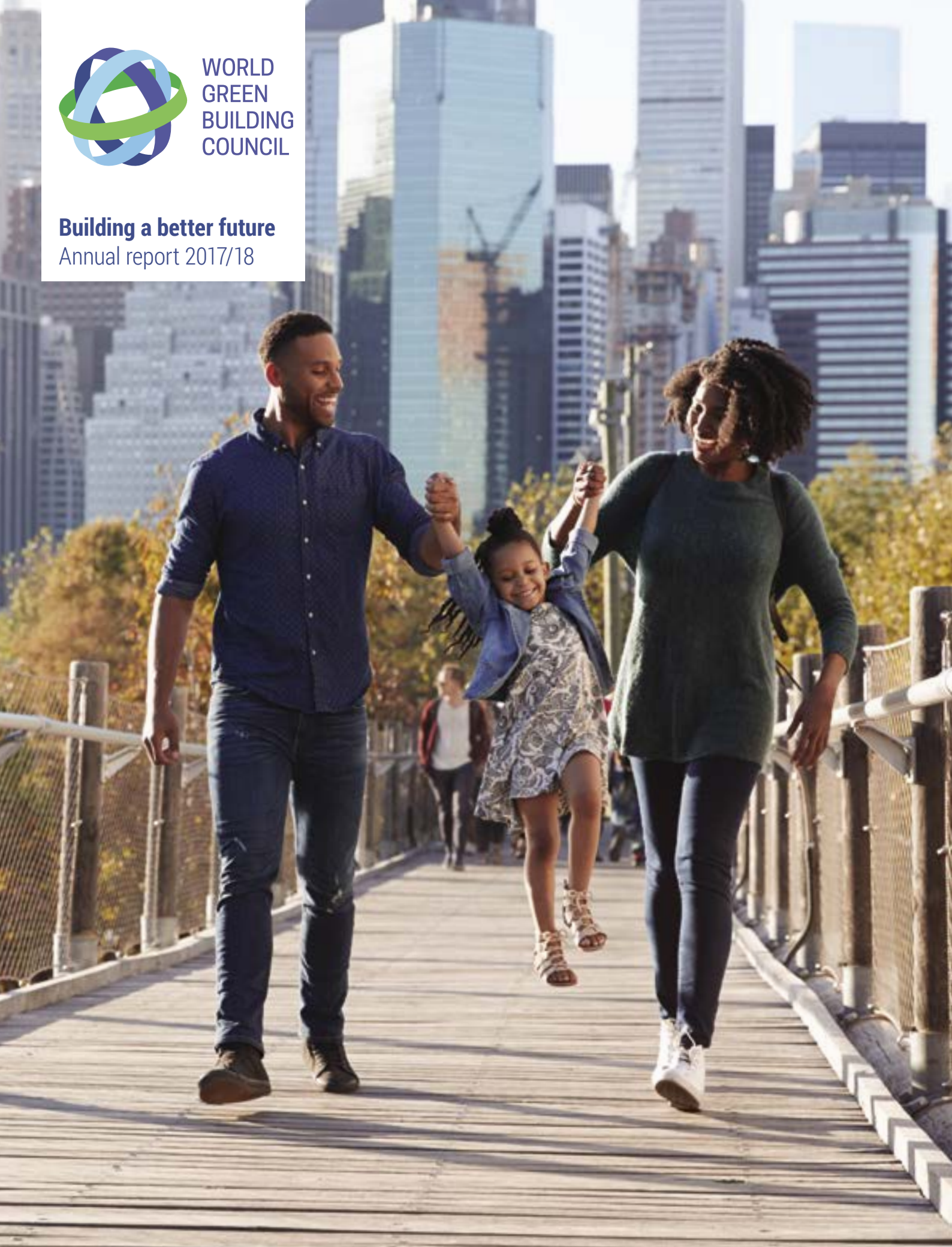




WORLD
GREEN
BUILDING
COUNCIL

Building a better future
Annual report 2017/18



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WORLD GREEN BUILDING COUNCIL

The World Green Building Council is a global network of national Green Building Councils which is transforming the places we live, work, play, heal and learn.

We believe green buildings can and must be at the centre of our lives. Our changing climate means we must reshape the way we grow and build, enabling people to thrive, both today and tomorrow.

We take action – championing local and global leadership, and empowering our community to drive change. Together, we are greater than the sum of our parts, and commit to green buildings for everyone, everywhere.

GREEN BUILDING COUNCILS

Green Building Councils are independent, non-profit organisations made up of businesses and organisations working in the building and construction industry.

As members of the World Green Building Council, they work to advance green building in their own countries, as well as uniting with other Green Building Councils to achieve environmental, economic and social goals on a larger, global scale.

Discover more about the World Green Building Council at worldgbc.org

Forewords from our CEO and chair



Terri Wills
CEO

The past year was a huge year for the World Green Building Council (WorldGBC) and its Green Building Councils (GBCs). One in which key ambitions became a reality and transformative initiatives were launched.

Absolutely critical to this success was the delivery of the three-year strategy we set out in 2015. This year, we were better equipped with staff, resources and influential partnerships to provide the tailored support our GBCs need to have major impact in their own countries and beyond. This included our new regional structure, which was rolled out in November 2017 and became fully functional in January 2018. Our Regional Networks, along with our global projects and events, also helped our GBCs and their members and partners to collaborate to a far greater extent, making our whole movement much stronger. And we created the conditions for global success, which included providing our GBCs with big, bold messaging and world-leading reports to help them speak confidently and effectively about green building and all the incredible initiatives that are taking place right now to prevent devastating climate change.

Thanks to our new partnership with China GBC, our GBCs now cover nearly 40% of the global population.

Another major step forward for WorldGBC and our GBCs on an organisational level was our governance review, completed in June 2018. This review now means we have a system in place that gives every GBC around the world a say on how WorldGBC operates. As well as helping us make better decisions about our future, this improved connectivity is providing us with an even greater understanding of the specific issues and opportunities each of our GBCs faces. Areas we'll explore further in 2019 include identifying the next steps needed to progress each of our GBCs as an organisation and the green building movement as a whole in their home country.



Lisa Bate
Chair

Without doubt, this is an exciting time for the green building movement, which is why I feel so privileged to speak to you as the new and first female chair of WorldGBC.

Today, I feel more enthusiastic about green building than ever before. I see so much connectivity across the globe, accelerating what we're achieving as a movement. This was clearly demonstrated at the inspirational Global Climate Action Summit in San Francisco in September 2018. There, I witnessed a far-ranging commitment to green building for everyone, everywhere, with cities, states and regions, and major businesses and organisations signing our pioneering Net Zero Carbon Buildings Commitment. I also found it extremely rewarding to see WorldGBC being given equal standing with prominent climate change foundations and global change-making institutions.

Another highlight for me this year is WorldGBC's new partnership with China GBC, which provides a beneficial transfer of knowledge and expertise in both directions. I personally have high expectations for the speed of innovation that will originate from China, having lived and worked in the country for a number of years. But it isn't just global and national action that's required to combat climate change; we also need action at a grassroots level, which is why a recent trip to India thrilled me so much. In Hyderabad, not only did I celebrate the launch of new certification schemes with the Indian Green Building Council, I also presented awards to schoolchildren from three schools who had developed green ideas to be implemented at their schools. Two of these schools were in very remote villages, and the majority of representatives from one school were girls. I believe this is evidence that in every corner of the world, at a local and national level, and across generations, there's an inclusive and growing groundswell for green building.

Over the past year, 376 buildings have been certified as net zero by GBC schemes across the world.

At WorldGBC, we'll continue to drive this momentum forward by winning and influencing more minds and providing more connectivity between our global projects, countries and cities. And through our GBC members we'll also continue to identify new pressure points to focus on, such as embodied carbon. I'd also like to take this opportunity to thank and offer greater support to our GBCs, which are uniquely positioned as national and local catalysts to make our quest for global transformation across the entire building chain a reality. It's only through our global collaboration, mentorship and often friendly competition that we'll achieve green buildings for everyone, everywhere.

Let me take this opportunity to thank and offer greater support to our GBCs, uniquely positioned as national and local catalysts to help our quest for global transformation across the entire building chain. It's only through our global collaboration, mentorship and often friendly competition that we'll achieve green buildings for everyone everywhere.

Our highlights from 2017/18

Currently, China accounts for 30% of global greenhouse gas emissions. Thanks to our new, momentous partnership with China GBC, we are now in a strong position to accelerate commitment to carbon reduction in the world's largest building market.

**PARTNERING IN
MARKETS WITH
INCREDIBLE POTENTIAL
TO REDUCE GLOBAL
CARBON EMISSIONS**

Our Europe Regional Network played a key role in launching a new energy efficiency mortgage pilot scheme with over 40 major European financial institutions. The organisations' combined lending power is over €3 trillion, equal to around 20% of the EU's gross domestic product.

**INSPIRING ACTION
TOWARDS NET ZERO
CARBON EMISSIONS
BY 2050**

**GIVING MILLIONS
ACCESS TO GREEN
MORTGAGES**

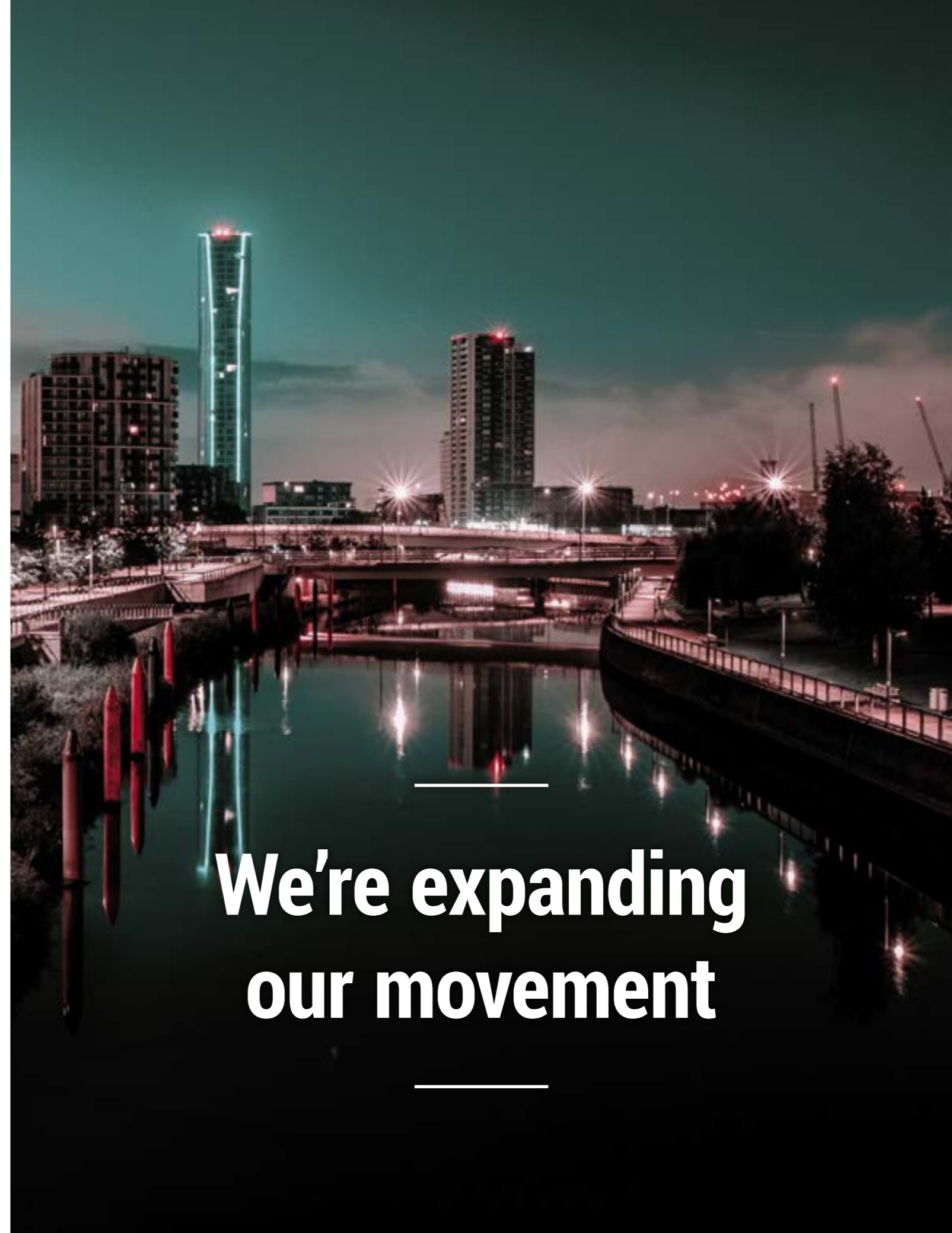
The 42 signatories of our Net Zero Carbon Buildings Commitment have committed to eliminate 221 million tonnes of carbon emissions equivalent (CO₂e) from their buildings by 2050 – equal to taking 47.3 million cars off the road in one year.

**2.65 BILLION M²
OF GREEN BUILDING
SPACE CERTIFIED**

**WORLD GREEN
BUILDING WEEK
REACHES OVER
155 MILLION
PEOPLE**

Working with their members, our GBCs have currently certified an incredible 2.65 billion m² of floor space around the world. On average, each participating GBC certified 18% more space than it did in the previous year. In addition, the space certified by China GBC has been included in our 2018 figure, resulting in an overall increase of 114% on our 2017 total.

Our annual flagship campaign reached record numbers this year. Key to this success was its #HomeGreenHome theme, which encouraged homeowners as well as landlords and builders to make homes greener, healthier and more energy efficient.

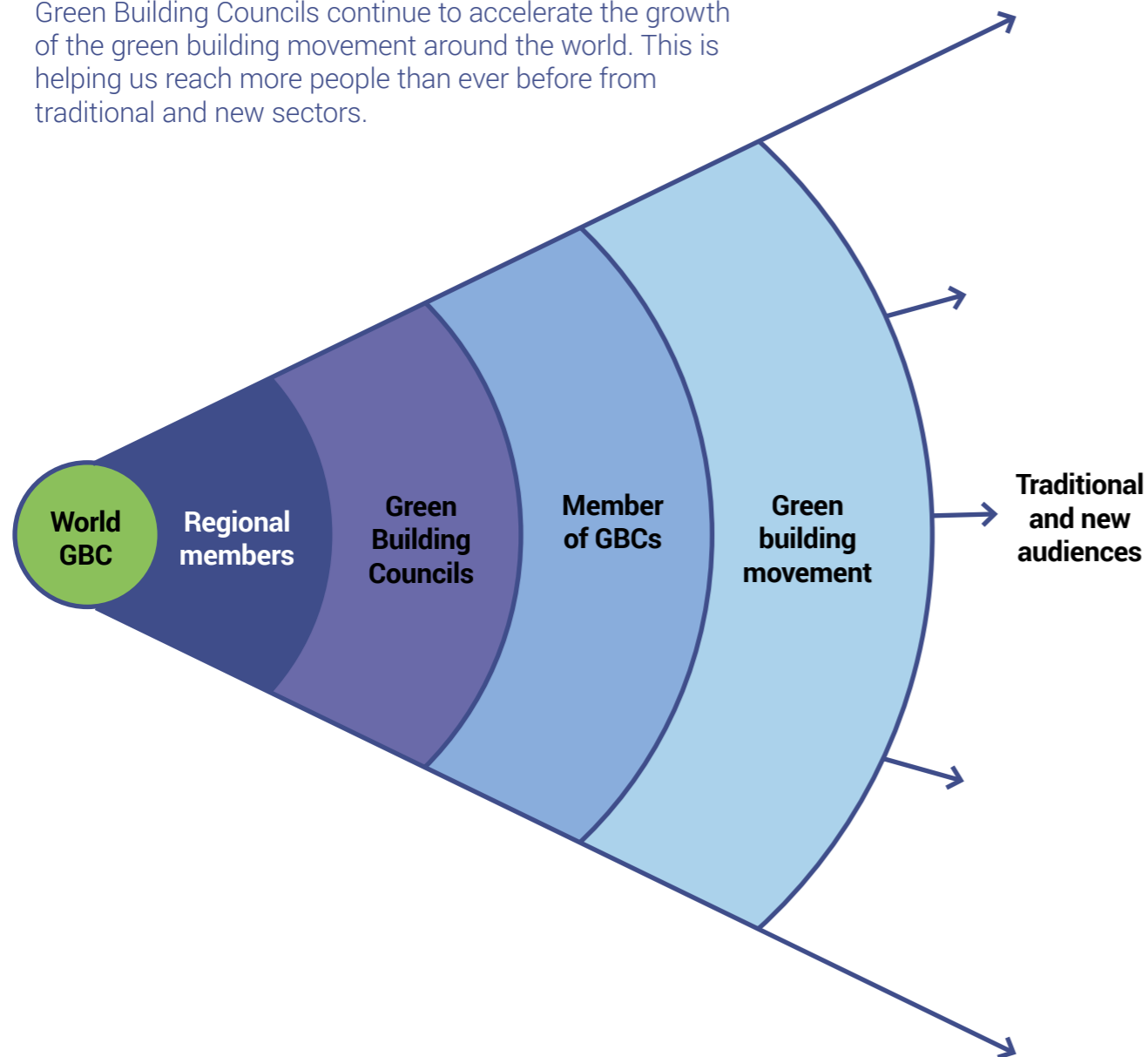


**We're expanding
our movement**

Throughout the past year, WorldGBC and its Regional Networks and Green Building Councils have worked hard to grow the green building movement across the globe and connect with new audiences outside the 'supply side' of the built environment sector. This has led to us establishing a momentous partnership with China GBC, raising people's awareness of the health benefits of green building, and securing funding to increasingly influence the building efficiency policies of entire cities. And it is only through this pioneering and transformative work that we will deliver green buildings for everyone, everywhere and reach critical climate change targets.

We're reaching more people than ever before

The passion, expertise and ambition of WorldGBC and its Green Building Councils continue to accelerate the growth of the green building movement around the world. This is helping us reach more people than ever before from traditional and new sectors.



Our new partnership with China Green Building Council has incredible potential to accelerate global carbon reduction.

Currently, China is responsible for 30% of the world's greenhouse gas (GHG) emissions. But the scale of this output also creates a massive opportunity, especially when the Chinese government is showing serious commitment to tackling climate change. In January 2017, the Chinese government announced a 20% renewables target by 2030, paired with an investment of \$367 billion by 2020 to meet this target. In addition to helping fight climate change, this investment will help create 10 million jobs. Similarly, the Chinese government signed the Paris Agreement and outlined strategies in its 13th five-year plan to reduce carbon emissions and energy consumption, and improve air quality by supporting the adoption of low-emission vehicles.

China builds the equivalent of Rome every three weeks.

Almost 10 years after conversations began, China GBC became a partner of WorldGBC in 2018, a move that also highlights the country's focus on reducing its GHG emissions. This momentous partnership was the result of our Asia Pacific Regional Network's drive to develop strong relationships with influential local partners. It now offers an exciting gateway through which knowledge can be transferred back and forth between green buildings experts in China and neighbouring countries, as well as the rest of the world.

As part of its five-year plan to reduce energy consumption, the Chinese central government has made a strong move towards nearly net zero energy. Currently, tier 1 and tier 2 cities across China are establishing codes for nearly net zero energy, a transition supported by China GBC's carbon neutral rating tool and the China Academy of Building Research's nearly net zero energy standard.

'Our partnership with WorldGBC will enable China to learn from global best practices, share the progress we have made in China, and to accelerate our commitments made in the Paris Agreement.'

Professor Wang Youwei, Chairman, China GBC

As a global manufacturing powerhouse, China also understands the importance of reducing embodied carbon, which is the carbon dioxide equivalent or greenhouse gas emissions associated with the non-operational phase of a project. Much of the country's existing literature and research on this topic is written in Chinese, but thanks to our new partnership with China GBC, we have an excellent opportunity to learn from their advances in this area. This will help to drive forward WorldGBC's future projects on embodied carbon and allow us to share key findings and best practice with GBCs around the world.



Through its focus on health and wellbeing, our Better Places for People global project is helping WorldGBC and its Green Building Councils connect with a wide range of new audiences.

This year, as part of Better Places for People, we launched a ground-breaking report titled *Doing right by planet and people: The business case for health and wellbeing in green building*. It showcases 11 case studies from around the world that are leading the way in being resource efficient and providing healthy, productive spaces for their occupants plus significant returns for their owners and investors. The report builds on the evidence provided in our 2016 publication *Building the business case: Health, wellbeing and productivity in green offices*.

A Harvard University study has revealed that green certified buildings provide around \$6bn in health and climate benefits on top of \$7.5bn in energy savings.

Through the creation of and response to *Doing right by planet and people*, it's clear that health and wellbeing is a growth area for the green building movement. We received over 70 submissions from public, private and not for profit organisations to feature as a case study in the report. The report was also covered by health and lifestyle, human resources and business media outlets as well as traditional building and construction press, helping us to reach many new audiences. And since its launch in April 2018, *Doing right by planet and people* has been downloaded 1,350 times.

The *World Green Buildings Trends 2018 SmartMarket Report*, which was launched in November 2018, also demonstrates growing support for healthy and green

buildings, and is helping us connect with non-traditional audiences. Participants in the report identified health and wellbeing as the number one social reason for building green; and our promotional work for the report led to major consumer brands and professional services approaching us about the health benefits of green buildings for their customers and employees.

Producing these world-leading reports is vital to raising the profile of green building and giving our GBCs the resources they need to demonstrate the health value of green buildings. GBCs across the world are also key to steering the strategic direction of Better Places for People and making sure best practice in this area is promoted. Currently, we have a record number of nearly 30 GBCs participating in this pioneering project.

'Sustainable office buildings deliver along the triple bottom line: they are not only better for the natural environment, they also improve employees' wellbeing and bring economic benefits. The world-class projects explored in the impressive *Doing right by planet and people* report help to further build the business case. We are delighted to be supporting this project and look forward to working on more green building initiatives.'

Pascal Eveillard, Deputy VP, Sustainable Development, Saint-Gobain

WorldGBC secured \$600,000 in funding to equip Green Building Councils in the Americas with the skills, knowledge and resources they need to deliver transformational change in the building efficiency policies and practices of cities.

The funding was awarded by Partnering for Green Growth and the Global Goals 2030 (P4G) to advance the work of the Cities Climate Action Project. This initiative is supported by Building Efficiency Accelerator (BEA), a public-private collaboration that's coordinated by WRI Ross Center for Sustainable Cities, features over 36 partners, including WorldGBC, and is supported by Johnson Controls and the Global Environment Facility (GEF). Overall, P4G only selected just 24 partnerships to fund and support in 2018, following a global competition that attracted 450 nominations from 80 countries.

Better building efficiency policies around the world could result in a 25–50% reduction in energy demand from both new and existing buildings, significantly reducing pollution and saving millions in energy costs.

The power of the Cities Climate Action Project is that it uses the proven framework of the BEA to help city governments, private companies and NGOs work together to deliver energy efficiency in buildings at scale. Importantly, this involves GBCs providing valuable technical advice and bringing together the building and construction sector to support the collective development of a city's policy or strategy for increasing building efficiency.

Thanks to the investment from P4G, WorldGBC's Americas Regional Network will have greater resources to build on the successes of the BEA in countries such as Colombia and Mexico. The funding will also be used to recruit new cities to the Cities Climate Action Project from countries including Argentina, Brazil, Chile, Costa Rica, El Salvador, Panama and Peru.

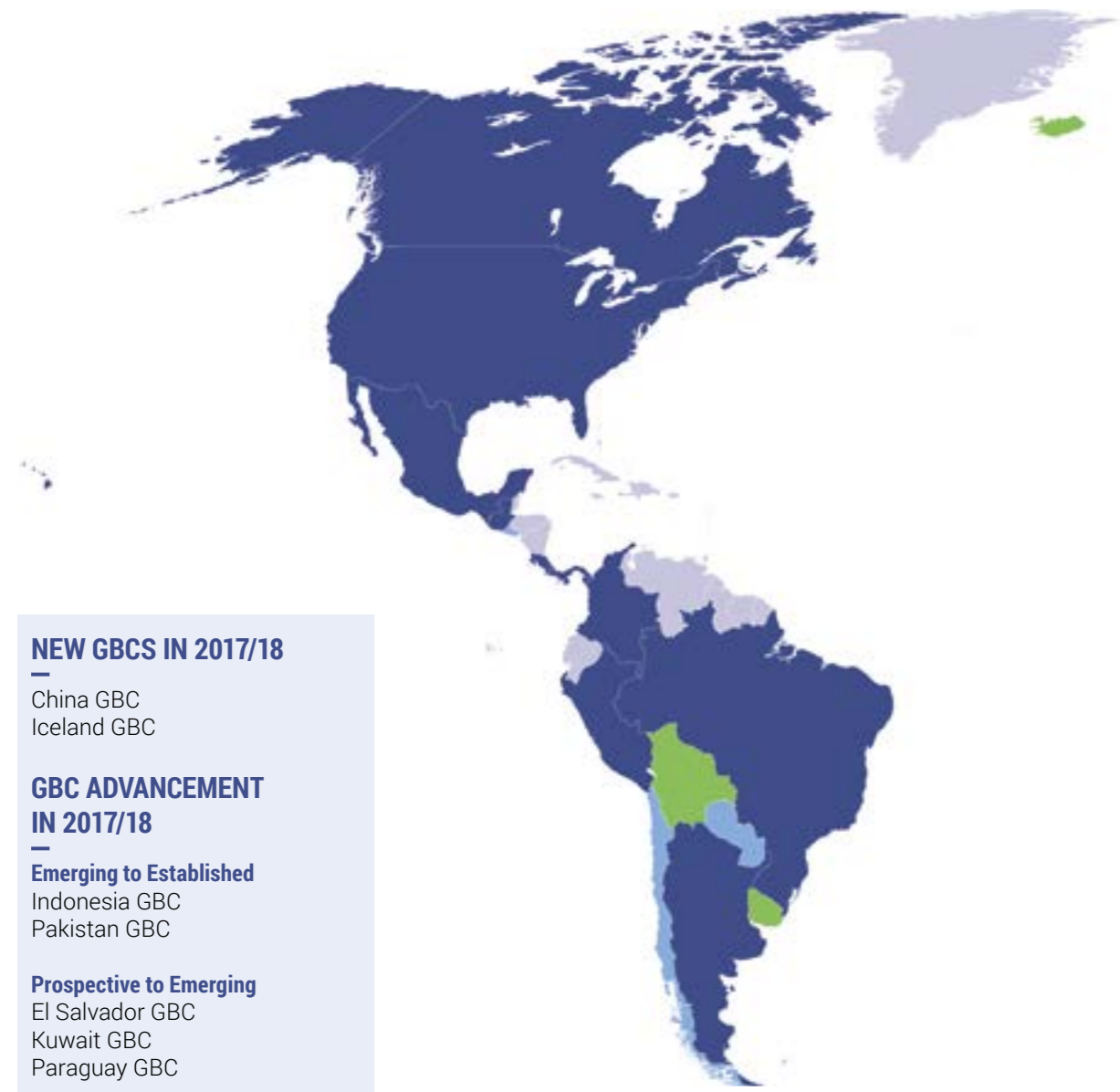
In Colombia, the expertise and support our local GBC provided to the city of Bogotá is expected to reduce energy use in new buildings by 20% and water use by 30%.

Given that a third of the world's energy is used to light, heat and cool buildings, and 80% of greenhouse gas emissions come from cities, it's critical that transformational change in policy and action does take place. By increasing the adoption of the BEA framework around the world, and particularly in regions like Latin America that continue to urbanise at a very fast pace, we're positive we can do this, locking in energy efficiency opportunities across the region.

'Fragmentation of the building and construction sectors can make scaling energy efficiency best practices and innovation more complex than in other industries. Partnerships and collaboration are therefore crucial to help buildings achieve their full potential for reducing carbon emissions, improving economic outcomes in cities, and improving health and wellbeing.'

Clay Nesler, Vice President, Global Sustainability and Industry Initiatives, Johnson Controls

WorldGBC continues to provide tailored support to its GBCs to help them become stronger, overcome challenges and progress to the next level of our membership. Currently, 38 of our 68 GBCs have reached our top level of Established membership status, which means they have become the go-to experts on green building and sustainability in the built environment in their country.

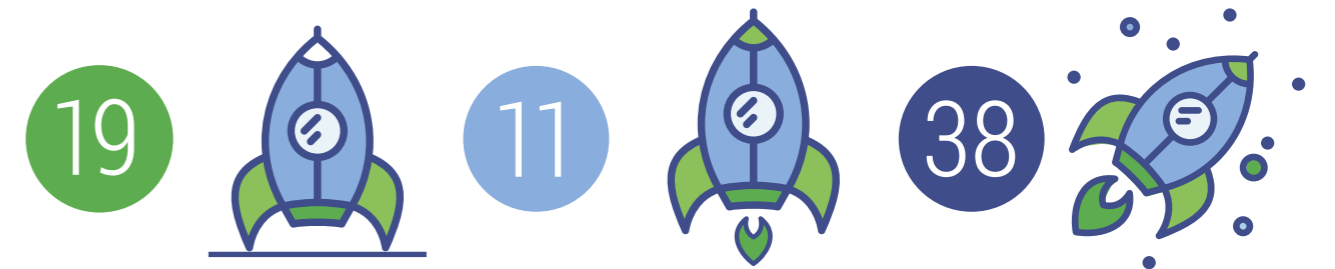


NEW GBCS IN 2017/18
 China GBC
 Iceland GBC

GBC ADVANCEMENT IN 2017/18

Emerging to Established
 Indonesia GBC
 Pakistan GBC

Prospective to Emerging
 El Salvador GBC
 Kuwait GBC
 Paraguay GBC



PROSPECTIVE

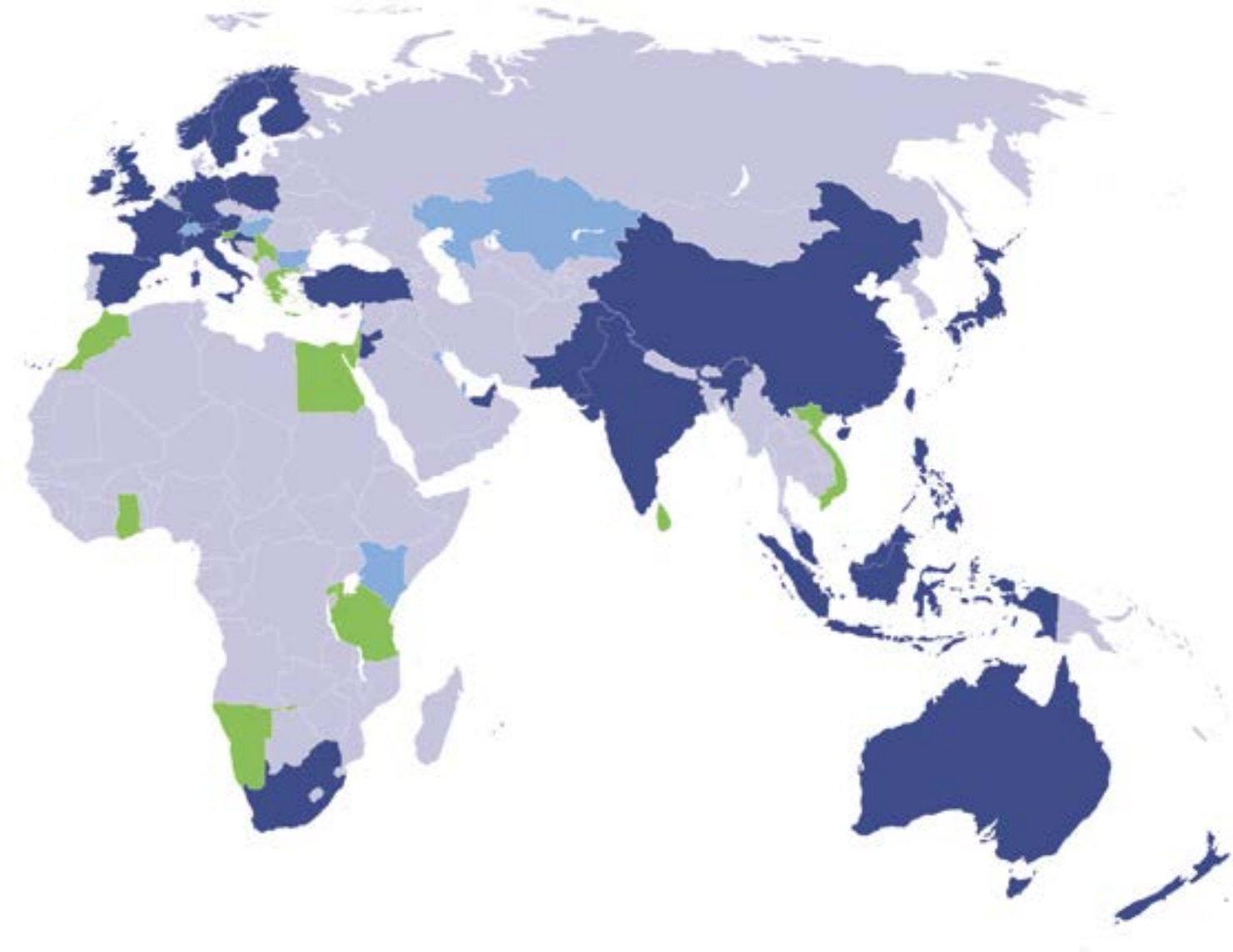
An organisation that is in the early stages of development but has still put in place a comprehensive strategy on how it will operate and advance green building in its country and has a strong founding group of industry stakeholders. It is expected to progress to Emerging status within 24 months.

EMERGING

An organisation open to membership and that has a strong foundation, such as an elected board and staff to manage day-to-day operations. It is expected to progress to Established status within 24 months.

ESTABLISHED

A fully developed and operational organisation that is running impactful green building programmes of work which are delivering change on a national level. An Established GBC also adopts best practice across all areas of its work and has good governance, accountability and transparency.





We're global and local leaders

To prevent devastating climate change, we believe green buildings can and must be at the centre of everyone's lives. But to make this vision a reality, we know we must inspire billions of people around the world to take action and join the green building movement. That's why WorldGBC and our Green Building Councils continue to do all we can to position ourselves as the main global and local leaders of the green building movement. During the past year, this included us working with governments to influence building policy, securing mainstream media coverage of our work around the world, and speaking at high-profile events such as the Global Climate Action Summit in San Francisco in September 2018.

Inspiring leadership

During 2017/18, the influential and inspiring leadership of WorldGBC and our Green Building Councils has resulted in:

35 countries

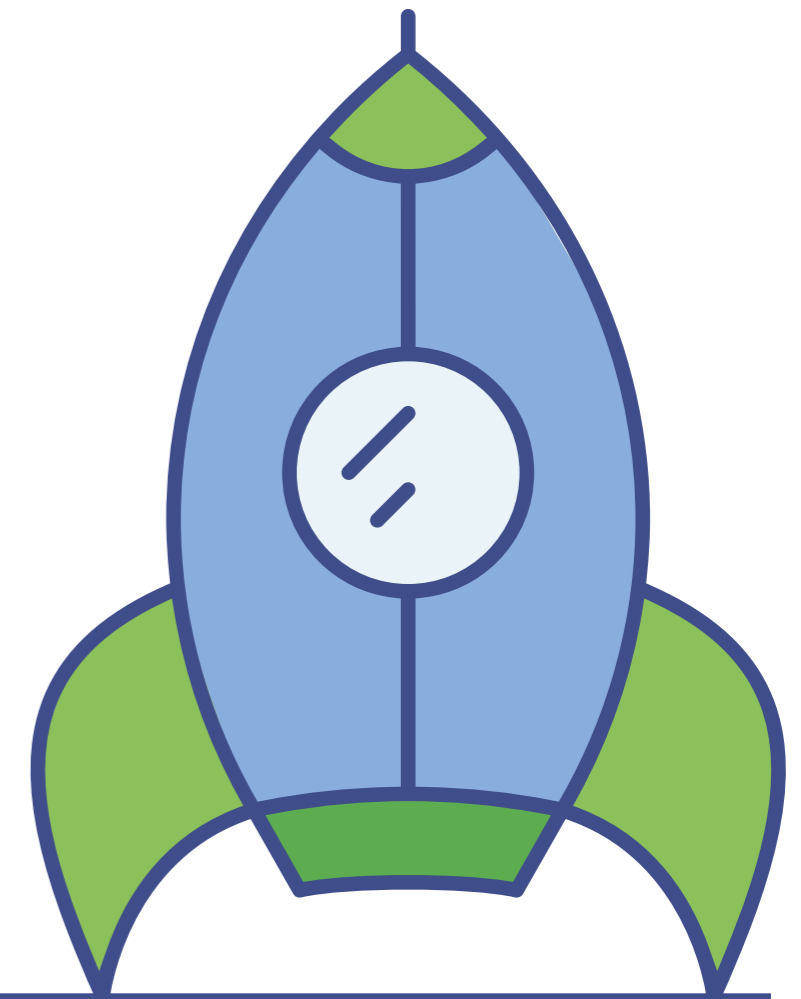
benefited from GBC advocacy to adopt enhanced green building policies, either a city, regional or national level.

4 more

net zero building certification schemes launched in Germany, India, Sweden and the US. To compliment the 5 already in place: France, Canada, Brazil, Australia and South Africa.

2.65 billion m²

of green building space being certified across the world.



Across the world, our national Green Building Councils continue to influence or implement government policy and regulation to prevent devastating climate change.

In the Americas, this included our GBC in Colombia helping to set up tax and financial incentives for environmental sustainability practices; and our Argentina GBC establishing a national energy efficient certification programme and city green building code. In Chile, our GBC helped to introduce new regulations for the management and valuation of construction and demolition waste; while in Mexico, new energy efficiency codes were implemented with support from Sustentabilidad para México (SUME).

Across the Atlantic in Europe, Green Building Council España helped local administrations in Spain to improve public tenders to achieve more sustainable buildings. And in Scandinavia, our Finland GBC helped the Ministry of Environment to develop a life cycle carbon footprint assessment for new buildings. From 2025, it will be mandatory for a construction project to pass this assessment for it to be issued with a building permit.

In our Asia Pacific region, the Green Building Council of Australia (GBCA) worked with its federal government to improve Australia's national construction code, and has also provided a trajectory for ongoing upgrades. And in Hong Kong, our local GBC collaborated with key government figures on policy initiatives to make existing buildings greener and more energy efficient.

82% of our GBCs reported advocating for green building policy or regulation in the past 12 months, working with all levels of government. GBCs have contributed to green building policy changes at a city, regional or national level in 35 countries in the past year.

We also celebrated that our GBCs in key markets across Africa achieved important breakthroughs in 2018: GBC South Africa provided ongoing support to its national government department of public works in launching a national green building policy which aims to provide direction for government buildings on sustainable building practices for things such as energy and water efficiency, waste management, materials selection and indoor environmental quality; while Ghana GBC's work led to the incorporation of various green building requirements in Ghana's national building code; and Rwanda GBC launched green building guidelines and more than doubled its members.

Finally, in our Middle East and North Africa (MENA) region, our Lebanon GBC worked with its national government to establish new laws that impose low-cost custom duties on high-efficiency heating and cooling equipment and increased duties on low-efficiency equipment.

As well as advancing green building in their own countries, the work and initiatives of our GBCs are also having a positive impact across their local region and beyond. This is supported by the regional structure of WorldGBC that allows us to easily exchange knowledge and best practice examples between GBCs in a particular region and promote them on a global scale.

The work of WorldGBC and its GBCs, as well as their leaders, achieved national and international media coverage that influenced action on climate change and raised the profile of the green building movement.

In January 2018, WorldGBC published a series of blogs profiling the CEOs of our Established GBCs and launched an accompanying social media campaign. The articles shared the CEOs' greatest achievements in 2017, their ambitions for 2018, and key statistics on green building. Overall, the profiles have been viewed over 4,500 times, and the social media campaign reached an estimated 450,000 people. To celebrate International Women's Day, we also published a very popular blog on the women leading the green building movement in our MENA region. This subsequently led to Women's eNews commissioning a series of opinion articles from female members of WorldGBC's community. In particular, this US news website was interested in how the green building movement is empowering women leaders to achieve long-lasting change.

Over the past year, we estimate our GBCs reached the following number of people via these media channels:

Online – 2.5 billion
Print – 223 million
TV – 168 million
Radio – 7 million

The winners of WorldGBC's 2018 Asia Pacific Leadership in Green Building Awards gained mainstream media coverage in Australia, India and New Zealand, showing evidence of a growing national interest in green building. Also in New Zealand, our local GBC was the focus of

extensive national media interest because of the launch of its HomeFit tool. Publicly endorsed by New Zealand's Green Party, the tool helps to assess a house's warmth, safety and dampness, which could lead to significant improvements in the overall quality of New Zealanders' homes.

In the US, our USGBC launched its Living Standard campaign. This highlights how people can improve everything from the buildings we inhabit, to the air we breathe, to the way we feel, to how long we live.

Similarly, our Jordan Green Building Council's Green Affordable Homes project featured on the front page of the *Jordan Times*. This breakthrough coverage advocated that green buildings could address acute environmental and social challenges in Jordan, as well as economic challenges for low-income communities, due to the affordability of green homes. Additionally, the Thomson Reuters Foundation published an article on the same project on the Reuters global newswire; this focused on how green building was helping to build cohesion between Jordanians and Syrian refugees.

Romilly Madew, CEO of the Green Building Council of Australia, featured in *Vogue Australia's* inaugural list of 100 Game Changers in its March 2018 edition. The article focused on people affecting change and championing causes in areas including gender equality, diversity and humanitarianism. Romilly was honoured for leading the transformation of the built environment towards sustainability in Australia and beyond.



Our World Green Building Week campaign and strong presence at key global events continue to position WorldGBC and our Green Building Councils as local and global leaders in the fight against climate change and the promotion of sustainability in the built environment.

The theme for this year's World Green Building Week was #HomeGreenHome. This was chosen to generate widespread awareness of the tangible benefits of a greener home and provide practical ways that people can make their home greener. The reaction to this theme was extremely positive, with over 300 associated activities taking place around the world and our social media campaign reaching 3.4 million people. By launching our green mortgages report (see page 23) as part of the Week, we also received 40 mentions by influential media outlets such as Bloomberg and EURACTIV, helping us connect with more than 151 million people overall – six times the figure we reached in 2017.

Key to the campaign's success was the participation of 53 Green Building Councils and 80% of our global partners, supported by WorldGBC's marketing and communications team. Their involvement helped to galvanise local support for green building, raise the profile of our movement and highlight local opportunities to build green. We were also delighted to secure two influential regional ambassadors to promote #HomeGreenHome and rally support for sustainable housing: Karmenu Vella, European Commissioner for Environment, Maritime Affairs and Fisheries, for Europe, and His Excellency Nayef H Al-fayez, Minister of the Environment in Jordan, for our MENA region. Additionally, Alliance-HQE GBC France secured Brune Poirson, Secretary of State to the Minister for the Ecological and Inclusive Transition, as a campaign ambassador for France.

Inspiring World Green Building Week ambassadors

'We are working with Green Building Councils to make sustainable housing a reality for all Europeans. This World Green Building Week, join us by taking action to make the homes you build, lease or live in part of a sustainable Europe.'

Karmenu Vella, European Commissioner for Environment, Maritime Affairs and Fisheries

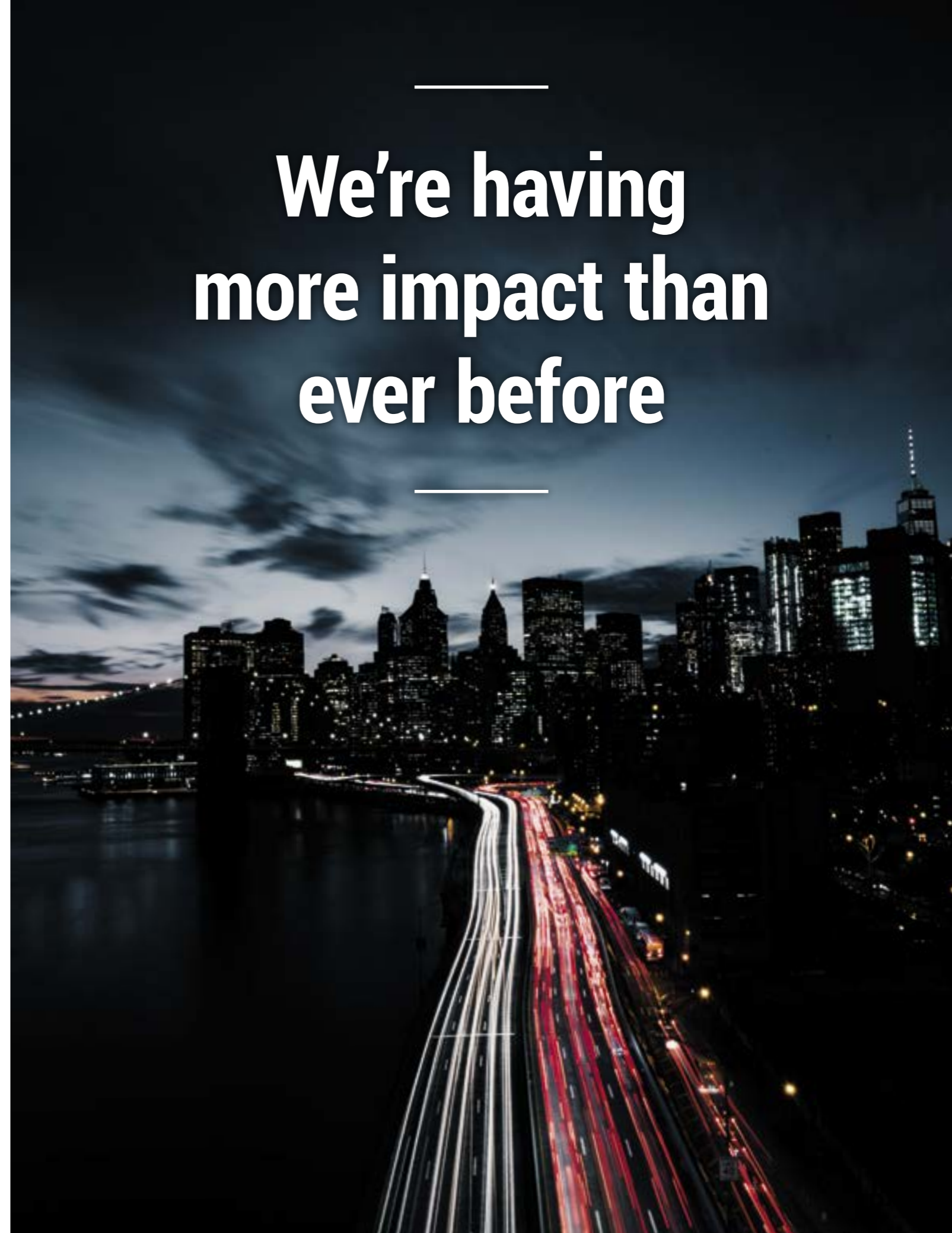
'Green homes are more comfortable and more sustainable and more cost efficient; this is why we encourage people to go green, so I'm supporting the World Green Building Week as Minister for Environment. I'm supporting colleagues in the MENA region to ensure we can provide our citizens with green affordable and sustainable homes.'

His Excellency Nayef H Al-fayez, Minister of the Environment in Jordan

In the past year, our presence at influential events around the world cemented our place as the key organisation representing the building and construction sector on the climate change agenda, and we raised awareness within the climate change community about the critical role buildings can play in meeting climate targets. Our most important speaking engagement in 2018 was at September's Global Climate Action Summit in San Francisco, where we hosted a plenary session exclusively about buildings. This talk elevated green buildings to a new level of prominence, with climate change leaders such as Al Gore and Patricia Espinosa and celebrities such as Alec Baldwin and Harrison Ford among the summit's 4,000 attendees.

WorldGBC continues to serve as a leading voice for the building and construction industry at the annual UNFCCC climate talks. At COP23 in Germany in 2017, we featured in the official proceedings for Human Settlements Action Day; and in 2018, our new role on the steering committee of the Global Alliance for Buildings and Construction allowed us to influence the agenda of COP24 in Poland. We also held another successful WorldGBC Congress in Canada in 2018, where we hosted the annual WorldGBC Global Awards. This year, our main entrepreneurship award was presented to the team behind the Energiesprong standard, an accolade cited by the *Huffington Post* as evidence of the concept's innovation excellence.

We're having more impact than ever before



The market for green building is expanding, according to latest research. This is happening at a time when WorldGBC and our Green Building Councils are better equipped than ever before to have impact on a global and local scale, now and in the future. This was clearly demonstrated during 2018 through the successes of our Advancing Net Zero global project and the launch of our groundbreaking Net Zero Carbon Buildings Commitment. We also achieved monumental impact in Europe by influencing EU sustainable building legislation and guidance, and establishing the world's first pan-regional market standard for a 'green mortgage'.

Driving change for people today and tomorrow

WorldGBC was a premier research partner of the *World Green Building Trends 2018 SmartMarket Report*, with around 45 of our GBCs participating in it. Launched in November 2018 by Dodge Data and Analytics, in association with United Technologies, this important study presents findings which clearly show we are moving closer to green buildings for everyone, everywhere.



SIGNIFICANT GREEN BUILDING GROWTH DURING THE PAST DECADE

The international market for green construction projects has grown significantly in the past 10 years, and demand for green building activity is poised to grow further – and even double in some regions.

Business benefits including 8% operating cost savings in the first year and increased building asset values of 7% are clearly influencing respondents of the study to deepen their engagement with green building. In addition, social impacts are also a major reason to build green, with improved occupant health and wellbeing cited as the top reason.



AN INCREASE IN GREEN BUILDING CERTIFICATION

Evidence in the report revealed that certification systems around the world are being used to create better performing buildings, which is yielding marketing and competitive advantages and providing third-party verification that buildings are green.

While there has been strong growth in green building projects that are certified under a recognised green building rating system, there has also been strong growth in non-certified green building projects.



A GREATER UNDERSTANDING OF BENEFITS

Climate change remains a driver for green building, with 77% of the report's respondents listing lowering greenhouse gas emissions as an important reason for their organisation to be engaged in this best practise. In every region, the most important environmental reason for green building was reduced energy consumption, which is closely linked to reduced greenhouse gas emissions.

More and more people are also understanding the social benefits of green buildings, and particularly the positive impact they can have on the health and wellbeing of a building's occupants. This is increasingly driving change and pushing the green building movement forward.

To achieve the aims of the Paris Agreement, it's critical the global building sector operates at net zero carbon emissions by 2050. Our Advancing Net Zero (ANZ) global project is working to inspire our GBCs and their members to make this ambition a reality.

The action pathways of our Advancing Net Zero project are the development of certification schemes, corporate engagement programmes, training and education resources, and policy engagement. Through these pathways our GBCs are facilitating a mass market transformation.



So far, nine national net zero carbon building certification schemes have been launched around the world. In 2018, this included DGNB's Framework for Carbon-Neutral Buildings and Sites in Germany, Sweden GBC's pilot programme for Net Zero Certification, India GBC's Net Zero Energy Buildings scheme, and the US Green Building Council's LEED Zero certification program. These schemes join Alliance HQE-GBC France's Label E+C- Bâtiment à Énergie Positive et Réduction Carbone, launched in 2016; and Canada Green Building Council's Zero Carbon Building Standard, GBC Brasil's Zero Energy Standard, GBC Australia's Carbon Positive Innovation Challenges for Green Star, and GBC South Africa's Net Zero/Net Positive certification scheme, all released in 2017.

Snapshots for each GBC net zero certification scheme have been prepared which detail how the schemes recognise net zero carbon buildings in a way that's appropriate to their local contexts, while still aligning with the key principles of Advancing Net Zero.

The UKGBC's Advancing Net Zero programme has also been launched, helping to drive the transition to a net zero carbon built environment. The programme aims to develop consistent approaches in the UK for the measurement, mitigation and reporting of in-use energy performance and whole-life carbon emissions. This will involve facilitating consensus across the industry on appropriate methods for rapidly advancing towards genuinely net zero emissions and then advocating their use to wider industry and government bodies.

The provision of training and education events by GBCs is also a fundamental part of our theory of change, as they can significantly raise awareness and increase industry capacity to deliver net zero

carbon buildings. Project participants GBC Brasil, GBC South Africa and CaGBC (Canada) each delivered a successful series of net zero training events in 2018. CaGBC's was called Innovation Series: Zero Carbon and involved the organisation sharing experiences from 16 pilot projects linked to their Zero Carbon Building Standard. In the wider network, GBCs are embracing the opportunity to educate members on net zero buildings, with our GBCs in Indonesia and Singapore hosting well-attended seminars and Jordan GBC holding a full-day training event, which was attended by over 70 members, to share experiences of net zero buildings from around the world.

Over the past year, we also welcomed China GBC and the Irish GBC to the Advancing Net Zero project, bringing our total number of participating GBCs to 17.

However, we know that national certification schemes and training and education events on their own will not lead to the growth in net zero carbon buildings needed to win the fight against climate change. We must also inspire governments and major corporations to take action on a massive scale, which is why the ambition of our Net Zero Carbon Buildings Commitment is so important.

Looking ahead to 2019, Advancing Net Zero will focus on how embodied carbon emissions from materials and construction must be reduced to achieve net zero emission targets. This vital work will be supported by the Children's Investment Fund Foundation and build on our success in placing operational carbon at the forefront of the political and corporate climate agenda.



WorldGBC's Net Zero Carbon Buildings Commitment was launched at the historic Global Climate Action Summit in San Francisco in September 2018. The Commitment challenges companies, cities, states and regions to reach net zero operating emissions in their global portfolios by 2030, and to advocate for all buildings to operate at net zero by 2050.

For governments, this requires them to include net zero regulation in their building legislations for new and existing buildings, while businesses need to ensure that they only own, lease or develop net zero carbon buildings. Already, 22 cities, five states and regions, and 15 businesses and organisations have signed the Commitment. A pledge that means they have committed to eliminate 221 million tonnes of carbon emissions equivalent (CO₂e) from buildings in 70 countries by 2050 – equal to taking 47.3 million cars off the road in one year. This unprecedented increase in demand for net zero carbon buildings is set to have a transformative effect on developing industry skills and reducing implementation costs.

On a practical level, the Commitment provides signatories with a framework they can use to develop globally ambitious yet locally relevant, flexible and universally viable solutions to reduce energy demand and eliminate carbon emissions. The action plans of each signatory are published on the Commitment's webpage; these outline how they intend to deliver genuine change; verify building performance using, for example, green building certification schemes; and

report on progress towards decarbonisation goals. In addition, as industry leaders, signatories will utilise their business activities and supply chains to increase the support for and development of net zero buildings.

Our GBCs will also promote the Commitment through their networks. This will involve them identifying potential signatories and then supporting them so they develop and implement action plans that are aligned with the Commitment. For example, the Green Building Council of Australia recruited from their membership almost 50% of the founding signatories of the Commitment.

Our new partnerships with C40 and The Climate Group means the Commitment is also being promoted to cities, states and regions in their networks. And as a new pathway for EP100 membership, the Commitment is one of the 'take action' climate initiatives from We Mean Business, alongside Science Based Targets. As a result, net zero carbon buildings are being championed to businesses and governments as an essential way to help meet the targets of the Paris Agreement.

Reaction to the Net Zero Carbon Buildings Commitment



'We welcome the Net Zero Carbon Buildings Commitment as a catalyst towards rapidly greening our homes and the places where we work and play.'
Patricia Espinosa,
GCAS Co-Chair, UN Climate Change Executive Secretary

'As a major property group, we feel a degree of responsibility to join the global commitment for net zero carbon buildings and to be part of the solution. We're not only actively striving to reach net zero emissions in our own developments, we want to maintain a leadership role in encouraging the broader industry to accept the challenge too.'

Rod Fehring,
CEO, Frasers Property Australia

'Participating in the Net Zero Carbon Building Commitment builds upon Salesforce's past work to reach net zero for our operations, and demonstrates our commitment to driving the scale and pace necessary to reach 100% renewable energy and our longstanding focus on sustainable, healthy, efficient buildings.'

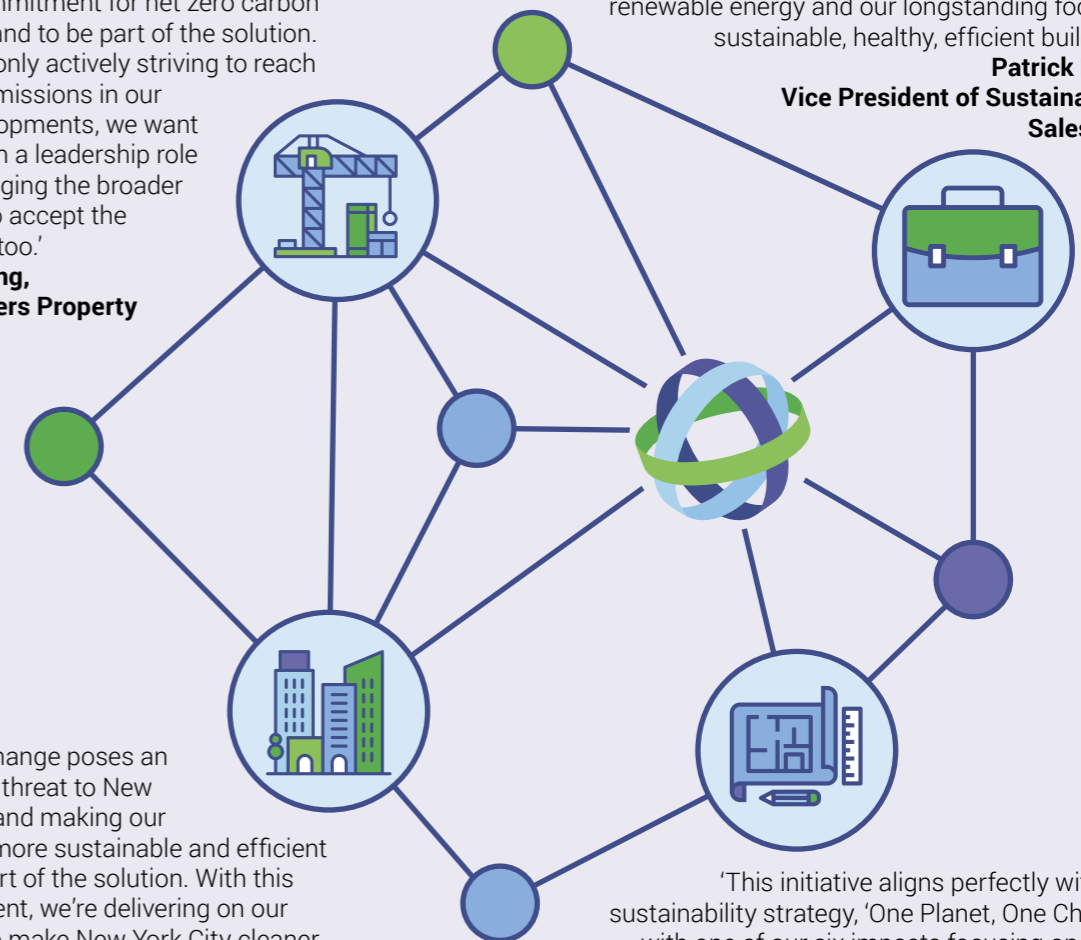
Patrick Flynn,
Vice President of Sustainability, Salesforce

'Climate change poses an existential threat to New York City, and making our buildings more sustainable and efficient is a key part of the solution. With this commitment, we're delivering on our promise to make New York City cleaner and safer for generations to come by meeting the Paris Agreement. We're proud to stand alongside other cities worldwide that are taking bold and meaningful steps to cut the pollution driving climate change.'

Bill de Blasio,
Mayor of New York City

'This initiative aligns perfectly with our sustainability strategy, 'One Planet, One Chance', with one of our six impacts focusing on being Climate Positive Action by 2025. With 20 offices globally, being a founding signatory to the initiative which focuses the industry globally on reaching an ambitious but achievable target, we are confident that our designers can collaborate with our clients and fellow designers to achieve a future of net zero emissions.'

Amie Shuttleworth,
Global Director of Sustainability, Cundall





The influential work of our Europe Regional Network has led to historic action by the European Commission that will help to create a sustainable built environment in Europe.

The Level(s) framework provides the world's first region-wide approach to reporting the sustainable performance of office and residential buildings throughout their full life cycle. Established by the European Commission in partnership with our Europe Regional Network and GBCs, it will help drive debate on whole life cycle emissions and the role of buildings in the circular economy. Already, over 130 building projects across 20 countries have signed up to test Level(s), and ministries in some European countries are now partnering with local GBCs to identify how it could help shape their future buildings policies.

In Europe, 50% of all materials and energy are used by buildings, and 33% of all water use and waste are linked to buildings.

In another major development, the EU's main building law now requires all its member states to put in place renovation strategies that will deliver 'highly efficient and decarbonised building stock by 2050'. This inclusion in EU legislation was in response to recommendations made by our Europe Regional Network of GBCs and its partners as part of the BUILD UPON project. In addition, and directly due to the work of BUILD UPON, the new Energy Performance of Buildings Directive also outlines that member states must publicly consult on their national renovation strategies before submitting them. This instruction has led to some European

governments formally commissioning national GBCs to lead on the development and implementation of their renovation strategies.

'Level(s) can help us develop an environment built sustainably across Europe and support our transition to the circular economy. We are releasing this framework for the sector during World Green Building Week, demonstrating Europe's global leadership. It marks an important step towards a more resource efficient and competitive construction sector in Europe.'

Karmenu Vella, European Commissioner for Environment, Maritime Affairs and Fisheries

Critically, the collaborative work between the European Commission and our Europe Regional Network has led to the Network being formally recognised as the EC's key partner regarding sustainable building issues. Increasingly, this will involve the Network partnering with the EC on major events and publications, further consolidating our Europe Regional Network as the common voice for a sustainable built environment in Europe.

The piloting of WorldGBC's market standard for an energy efficiency mortgage has the potential to radically transform the mortgage market and significantly reduce carbon emissions across the world.

Working with 500 experts across Europe, our Europe Regional Network and 10 of its GBCs established the market standard for a 'green mortgage' in 2018. This product aims to give buyers of energy efficient houses and people who want to implement green initiatives for their existing homes access to low-interest mortgages. So far, 40 major financial institutions with a lending power equal to 20% of the EU's gross domestic product have agreed to pilot the mortgage standard as part of the Energy Efficient Mortgages Action Plan (EeMAP). Already, this initiative has used WorldGBC's criteria to mark more than €150 million of mortgage lending as green.

The financial institutions piloting WorldGBC's market standard for green mortgages have a combined lending power of €3 trillion.

In October 2018, the first major commercial partnership associated with the project was launched by BNP Paribas, Europe's second largest bank, and E.ON, an official partner of our Europe Regional Network. This allows movers, first-time buyers and re-mortgagers to use their mortgage to borrow further via a linked 'energy efficiency home improvement loan'. BNP Paribas Personal Finance provides the financing and E.ON provides a managed service to install appropriate energy efficiency solutions. The improvements funded through the scheme could also result in a discounted mortgage rate once the energy efficiency measures have been verified via an updated energy performance certificate (EPC).

'Millions of homeowners are missing out on cost savings, higher property values and more comfortable homes because of a lack of easy-to-access, affordable finance to invest in energy efficiency improvements. Energy efficient mortgages have the potential to be a game changer.'

Michael Lewis, UK CEO of E.ON

To grow the mass market for energy efficiency mortgages, our Europe Regional Network also published a pioneering report titled *Creating an energy efficient mortgage for Europe: Towards a new market standard*. Launched during World Green Building Week in September 2018, it calls on lenders, industry and government to tackle climate change by making energy efficiency mortgages available to every borrower on the continent. The report has received over 40 media mentions including Bloomberg and EURACTIV, reaching over 151 million people.

The benefits of becoming a member of a GBC

The members of our Green Building Councils are key to the expansion of the green building movement. As they advance and deliver green buildings and sustainability solutions, WorldGBC and our GBCs continue to deliver opportunity for enhanced prosperity. We encourage all organisations to support GBCs as members and actively be a part of this amazing network.



1. ACCESS MARKET INTELLIGENCE

As a member of a GBC, you will benefit from market intelligence that equips you with improved skills and knowledge and allows you to make the right decisions, at the right time. This includes access to world-leading expertise and best practice, first-class education and training events, and influential figures who are at the forefront of the green building movement.



2. FORM NEW BUSINESS PARTNERSHIPS

As a member of a GBC, you'll meet a wide range of organisations committed to the green agenda. This offers many opportunities to develop new partnerships that will complement the services your company provides. In turn, this could help you secure a greater percentage of your local green building market.



3. GROW THE COLLECTIVE MARKET

As a member of a GBC, you will participate in the development of public policy initiatives and contribute to the advancement of green building at a national and local level. This involvement is crucial to growing the market for green buildings, which subsequently can lead to an increase in work and income for your organisation.



4. SHOWCASE YOUR LEADERSHIP

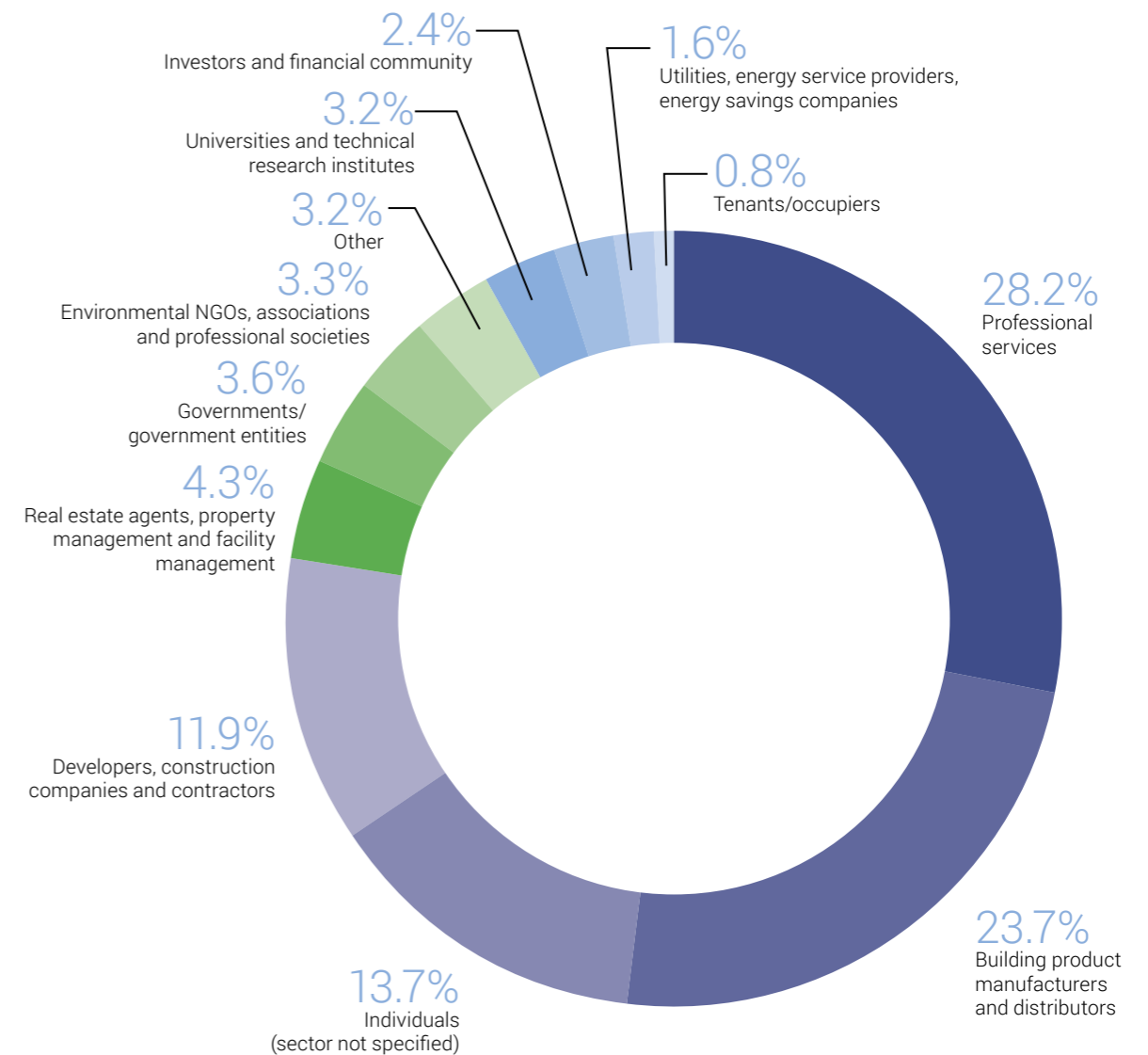
As a member of a GBC, you will raise the profile of your company or organisation and strengthen your brand. You will become associated with leading authorities on green building and high-profile campaigns such as World Green Building Week.



5. ALIGN WITH THE PARIS AGREEMENT

As a member of a GBC, you will support initiatives led by WorldGBC and our national GBCs that are aligned with the aims of the Paris Agreement and the UN's Sustainable Development Goals. Your participation will also align your organisation with these global challenges.

Our 68 GBCs have nearly 37,000 members around the world, a figure that includes almost 23,000 member companies and over 14,000 individual members.





Our board members

Our updated governance model ensures our GBCs have a strong influence on how WorldGBC delivers green buildings for everyone, everywhere. Our board of directors, who are nominated by our GBCs, then oversee our strategies and activities to help us achieve our mission.

WORLDGBC BOARD JULY 2018–2019:

Each member of our board of directors is a highly experienced building industry professional who either holds a senior management or board position at an Established GBC, or is closely affiliated with one.

Lisa Bate

Chair of the Board
B+H Architects

Tanya Cox

Vice Chair of the Board
Green Building Council of Australia

Peter Templeton

Treasurer of the Board
US Green Building Council

Ilari Aho

Secretary of the Board
Uponor

John Alker

Campaign and Policy
Director
UK Green Building Council

Saeed Al Abbar

Director, AESG
Chair, Emirates Green
Building Council

Christine Lemaitre

CEO, German Sustainable
Building Council (DGNB)
Chair, WorldGBC's Europe
Regional Network

Tan Swee Yiow

President, Singapore
Green Building Council

Felipe Faria

CEO, Green Building
Council Brasil
Chair, Americas Regional
Network

Snježana Turalija

Executive Director, Croatia
Green Building Council

Sebastian Dañino Beck

Director, Peru Green
Building Council

Ada Fung

Director, Hong Kong
Green Building Council

Rudolf Pienaar

Director, Growthpoint
Properties Limited

Sundaresan Raghupathy

Deputy Director General,
Confederation of Indian
Industry (IGBC)
Regional Chair, Asia
Pacific Regional Network

Bruno Sauer

CEO, Green Building
Council España

Our financial review

Our financials

In 2017, we continued to increase and diversify our revenue, allowing us to make investments that mean we are in a better position than ever before to transform the world's built environment.

OVERVIEW

WorldGBC's revenue grew to almost \$2m in 2017, a 12% increase on the previous year and almost double our revenue in 2014. This growth was due to a 44% increase in sponsorship, a 5% rise in membership dues and a 9% increase in other income.

Our total expenditure in 2017 increased by 50% compared to 2016. This was mainly due to an important investment in recruiting regional heads in our five regions; strengthening our programme services through the hire of a project head for Advancing Net Zero; and increasing staffing in key areas of priority such as marketing and communications. As a result, we are in a much stronger position to advance the green building movement across the world.

UNRESTRICTED AND RESTRICTED ASSETS

At the end of 2017, WorldGBC had \$924,120 in unrestricted net assets, which is equivalent to 51% of our budgeted expenses. The WorldGBC Cash Management Policy requires us to retain a minimum of 30% of our annual budgeted expenditure in unrestricted net assets, and as we finished the year far exceeding this requirement, 2018 will see WorldGBC pursuing an investment or 'deficit' budget to further invest in areas of significant impact.

AUDITOR'S OPINION AND FURTHER INFORMATION

As of 4 June 2018, KPMG, our auditor, has issued an unqualified opinion on our 2017 audited financial statements.

The following financial information has been summarised from the World Green Building Council's audited financial statements. To obtain copies of the complete audited financial statements, please contact the WorldGBC team.

ACCOUNTING TEAM

During the past year, we took the important step of establishing our own in-house accounting team. Having this internal resource now means we can provide more effective and efficient support to WorldGBC employees, stakeholders and our Board, as well as generate the management information that will help us make the most appropriate decisions to accomplish our mission.

In 2018, WorldGBC began to transition its finances away from its long-term partner, the Toronto and Region Conservation Authority (TRCA), the body which has hosted WorldGBC from the days when we were a one-person secretariat. By 2019, we will fully manage all our human resources and financials, enabling us to develop and implement policies and systems suited to the growing international organisation we have become.

We'd like to thank TRCA for all their support over the past years.

AFRICA REGIONAL NETWORK

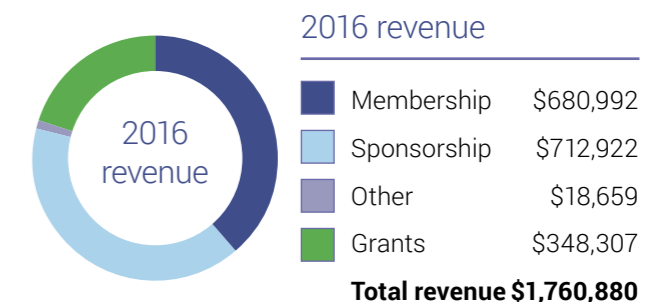
During 2018, we deployed several alternative structures for our Africa Regional Network. In 2019, our African GBCs will continue to explore different alternatives to collaborate and accelerate green building across Africa.



2017 revenue

Membership	\$717,268
Resources contributed by Green Building Councils as members of WorldGBC.	
Sponsorship	\$1,036,732
Resources from corporate partnerships, such as the Corporate Advisory Board, the project sponsors, and Regional Network partners.	
Other	\$20,412
Income from reimbursement and interest.	
Grants	\$205,886
Grant income for Advancing Net Zero, BEA, Europe Regional Network, and Asia Pacific Network.	

Total revenue \$1,980,298



2017 expenses

Programme services	\$1,076,199
Nearly 55% of our resources focuses on serving our GBCs, project delivery and research and development.	
Fundraising	\$44,973
Investments to continue diversifying our revenue stream and that of our GBCs.	
Supporting services	\$841,104
Administration and operations, communications and marketing expenses.	

Total expenses \$1,962,276

Statement of financial position

Years ended 31 December	2017 (in US\$)	2016 (in US\$)
Assets		
Current assets:		
Cash and cash equivalents	1,103,410	1,045,298
Accounts receivable	9,632	35,504
Prepaid expenses	128,469	75,931
	1,241,511	1,156,733
Property, plant and equipment	69,577	75,660
Total assets	1,311,088	1,232,393
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	214,379	162,628
Due to Toronto and Region Conservation Authority	39,892	23,470
Deferred Revenue	7,500	15,000
	261,771	201,098
Net assets		
Unrestricted	996,556	924,120
Temporarily restricted	52,761	107,175
Total net assets	1,049,317	1,031,295
	1,311,088	1,232,393

Statement of activities

Years ended 31 December	Unrestricted	Temporarily restricted	2017 (in US\$)	2016 (in US\$)
Revenue and support				
Grants	135,886	70,000	205,886	348,307
Sponsorships	1,036,732	-	1,036,732	712,922
Membership dues	717,268	-	717,268	680,992
Others	20,412	-	20,412	18,659
Net assets released from restrictions	124,414	(124,414)	-	-
Total revenue	2,034,712	(54,414)	1,980,298	1,760,880
Expenses				
Programme services:				
Membership and regional management	760,861	-	760,861	310,430
Global projects and partnerships	315,338	-	315,338	322,043
Total programme services	1,076,199	-	1,076,199	632,473
Fundraising	44,973	-	44,973	49,086
Supporting services:				
Administration and marketing	799,601	-	799,601	583,442
Board expenses	22,102	-	22,102	27,271
Depreciation and amortisation	20,871	-	20,871	9,562
Foreign exchange loss (gain)	(1,470)	-	(1,470)	3,577
Total supporting services	841,104	-	841,104	623,852
Total expenses	1,962,276	-	1,962,276	1,305,411
Increase in net assets	72,436	(54,414)	18,022	455,469
Net assets, beginning of year	924,120	107,175	1,031,295	575,826
Net assets, end of year	996,556	52,761	1,049,317	1,031,295

Our supporters

We'd like to say a huge thank you to all our sponsors and funding partners from around the world. Alongside our GBC membership support, your ongoing commitment and financial resources enable us to collectively deliver impactful actions to combat climate change and position green buildings as an effective solution to environmental, social and economic issues.

CORPORATE ADVISORY BOARD



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ADVANCING NET ZERO



BETTER PLACES FOR PEOPLE



AMERICAS REGIONAL NETWORK



MENA REGIONAL NETWORK



ASIA PACIFIC REGIONAL NETWORK



EUROPE REGIONAL NETWORK





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