



ESG + R REPORT 2023

 **NAR** SUSTAINABILITY
PROGRAM

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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

The National Association of REALTORS® (NAR's) annual Environment, Social, Governance and Resilience (ESG+R) Report provides a comprehensive look at the notable achievements from America's largest trade association over the past 12 months.

Since the inaugural report from 2021, NAR has continued to track and monitor progress in each of the association's Sustainability & Resilience Plan actions and pillars. This plan positions NAR as a leader on sustainability among real estate agents, brokers, trade associations, and consumers. Through transparency in leadership, NAR is building an integrated approach to sustainability in our industry. Through the Sustainability & Resilience Plan implementation, NAR can reach farther, partner and implement more comprehensively, and lead forward on an important topic that impacts each of our 1.6 million members and the communities they serve.

What you're about to read outlines the sustainability actions, impact and opportunities from the National Association of REALTORS® throughout 2023. Included is an overview of the Sustainability & Resilience Plan, as well as staff contributions, leadership statements and consolidated updates on actions from each of the plan's four pillars.

- The **environment** pillar focuses on specific, positive impacts that affect the natural environment and measures the impact of association actions.
- The **social** pillar focuses on actions that promote education, health, equity, and well-being.
- The **governance** pillar addresses the integration of sustainability throughout the organization and state and local associations.
- The **resilience** pillar addresses short-and-long term actions and plans to mitigate and manage climate risk in communities and real estate.

The four components of this plan will comprehensively assist members, state and local associations, and the organization to become more resilient and sustainable. This report highlights those actions already taken and includes future opportunities to build upon our efforts.

REALTORS® are members of the National Association of REALTORS®.



ABOUT US

ABOUT US

The National Association of REALTORS® is a leader in the dialogue on real estate sustainability among real estate agents, brokers, trade associations, and consumers. Representing 1.575 million members, our membership is composed of residential and commercial brokers, salespeople, property managers, appraisers, counselors, and others engaged in the real estate industry. Members belong to one or more of approximately 1,200 local associations/boards and 54 state and territory associations of REALTORS®.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

MISSION

To empower REALTORS® as they preserve, protect and advance the right to real property for all.

VISION

Our vision is to be a trusted ally, guiding our members and those they serve through the ever-evolving real estate landscape.



Learn more at nar.realtor/about-nar

DEFINING SUSTAINABILITY AND RESILIENCE FOR OUR INDUSTRY

To support meaningful action around sustainability in the real estate sector, NAR adheres to the following definitions of sustainability and resilience:

SUSTAINABILITY

Meeting the needs of the present without compromising the ability of future generations to meet their own needs.

RESILIENCE

The capacity to prepare for disruptions, recover from shocks and stresses, and adapt and grow from a disruptive experience.

MESSAGE FROM THE CEO



Nykia S. Wright

Nykia Wright
Interim Chief
Executive Officer

“ NAR continues the critical work to implement our association’s 10-year sustainability plan, encouraging all levels of the REALTOR® organization to be better stewards of the planet. From this ESG+R report—which tells our sustainability story through specific actions and major accomplishments—to our ongoing partnership with the Food Recovery Network, NAR is constantly looking for new opportunities to bring sustainability to the forefront of conversation at our association. Much work remains to make good on these ambitions, but NAR is glad to be taking a small step in the effort to support U.S. real estate and advance sustainable development across the globe. ”



PRESIDENT'S STATEMENT



Kevin M. Sears

Kevin Sears
NAR President



Back in 2019, Vince Malta, then President of the National Association of REALTORS®, tasked an NAR Presidential Advisory Group to better engage our members to promote sustainability and environmentally conscious development.

Building off of these ambitions, NAR's Sustainability Advisory Group last year made a series of recommendations to the Leadership Team. A number of those proposals are currently being developed or implemented, providing effective sustainability and resilience resources and support for members, associations, and their businesses. A few of those items include:

1. A toolkit to help state and local associations create a sustainability presence for their members;
2. A “green financing course” for members;
3. A sustainable meetings policy for the association; and
4. Executing an ambitious agenda to plant 1.575M trees—one for every NAR member—on public lands nationwide.

We were proud of the work done on these highly visible initiatives, with them bringing additional resources and increased value to members in a growing, critical area of American real estate. Education, ultimately, will help equip REALTORS® to meet client demands, display leadership on sustainability, and ensure our nation is better prepared to navigate realities and markets of the future.

Looking ahead, we know these efforts require an intentional, long-term commitment, both within NAR and throughout our industry. They require the tireless commitment of our staff, the investment of our members, and real estate's underlying recognition that these intentions are critical to our communities, our clients, and to our livelihood.

As part of the recommendations listed above, NAR is now also offering grant resources to state and local REALTOR® associations working to make their communities more resilient. With this, we're hoping to encourage our partners in every U.S. ZIP code to develop new and unique strategies that foster sustainability and combat some of the most damaging impacts of climate change.

As the most influential voice in real estate, NAR believes it has a tremendous responsibility to lead on this issue. We will continue to do everything we can to reduce the industry's environmental impact and to develop resilience strategies that protect families and communities nationwide.

NAR's Code of Ethics emphasizes this key point: "Under All is the Land." Nothing is more important to our profession—or to our world—than this land. And it's on all of us to be the best possible stewards of it.



STATEMENT FROM THE 2023 SUSTAINABILITY ADVISORY GROUP CHAIR



Rod Helm

2023 Sustainability
Advisory Group Chair

REALTOR®, Coldwell
Banker Realty, MN
Minneapolis
Association of
REALTORS®

2023 WAS A BUSY YEAR AT THE NATIONAL ASSOCIATION OF REALTORS® WITH REGARDS TO SUSTAINABILITY EFFORTS.

Years of hard work from both staff and volunteers seemed to hit new strides in the advancement of sustainability efforts. Senior staff, along with senior leadership, demonstrated a deep commitment to the Sustainability Advisory Group (SAG), and wholeheartedly supported the SAG's efforts on its mission and strategic focus.

Institutional integration was impressive in 2023 with first-time engagements including SAG leadership presenting and participating at various NAR committees such as the Public Policy Coordinating Committee and Membership Communications Committee, as well as attendance at RPAC training.

The SAG Chair position continues to be part of the strategic planning process at NAR, and sustainability priorities and principles continue to weave throughout the association's Strategic Plan. Committee policy chair engagement in the SAG hit new heights with significant strides made towards reducing the siloing effect between committees on this topic and improving cross-committee communication.

The SAG's State and Local Association subgroup delivered a highly anticipated online toolkit to aid local and state associations with development of their own sustainability efforts. The SAG will continue to support engagement in this tool and improve resources to assist state and local associations with sustainability capabilities development.

The SAG additionally conducted a deep study into the 2018 Camp Fire disaster's impact on the real estate industry and the learned outcomes from it. This group worked hard to lay down the framework for a carbon footprint study at NAR to be explored more heavily in 2024.

Lastly, this year NAR hosted its first, open-registration Sustainability Summit in Austin, TX. The event was highly successful, with members and leadership gaining insights into sustainability and climate change related issues. Both this new opportunity and a continued demand for NAR Sustainability Grants further demonstrate the remarkable topical interest across the REALTOR® organization.

As stated above, this year was filled with more accomplishments and efforts than can be summarized here. I am proud of our sustainability efforts and thankful for all the passionate, hard work that our volunteers and our staff have dedicated towards this incredibly important topic.

Thank you for allowing me to serve this year as the Sustainability Advisory Group's Chair. It was an amazing experience.

IMPACT BY THE NUMBERS



IMPACT BY THE NUMBERS

NAR's Fill it Forward Impact



5,648+

single-use items diverted from landfills and oceans.

5,001.32

POUNDS of emissions saved.

2

FILL IT FORWARD Projects Completed

NAR & National Forest Foundation Tree Planting Initiative



625,434

trees planted in 2023 over **3,296** Acres across 7 National Forests.

1,025,000

trees planted under partnership to date.

312,717

MT CO₂e

can be stored over the lifetime of the trees planted. This amount stored is equivalent to removing the emissions from **60,847** homes' electricity use for one year.

IMPACT BY THE NUMBERS

REALTORS® + Sustainability Report - Residential Highlights



63%

of respondents said energy efficiency promotion in listings was very or somewhat valuable.

74%

of respondents said properties with solar panels were available in their market.

34%

said properties with solar panels increased the perceived property value.

Operational Savings at REALTORS® HQ (430 N. Michigan)



>50%

waste diverted from landfills in 2023 (roughly 150,000 lbs.).

61

POINTS

achieved in LEED v4.1 recertification; maintaining NAR's LEED Level Gold certified status.

100%

completion of Master Vision Project at Chicago HQ.

IMPACT BY THE NUMBERS

Food Recovery Network



6,131

POUNDS

of food donated by NAR and its affiliates from meetings in 2023. This is equivalent to 5,109 meals.

13,629

POUNDS

of food have been donated to date by NAR and its affiliates since 2019. This is equivalent to 11,357 meals.

NAR Sustainability Grants



20

associations received grant funding in 2023.

38

PROJECTS funded to date.

\$100,000

made available in 2023 to support association sustainability and resiliency projects.

IMPACT BY THE NUMBERS

Sustainability Tours + Field Experiences



7

CURATED EXPERIENCES
with a sustainability
focus introduced at NAR
meetings in 2023.

2

FIELD EXPERIENCES
provided experiential learning
opportunities for REALTORS®
in sustainable and resilient
built environments.

5

BUILDING TOURS
provided “behind the scenes” insight
to sustainability and wellness-oriented
facility operations and improvements
at NAR events’ venues.



NAR SUSTAINABILITY & RESILIENCE PLAN

NAR SUSTAINABILITY & RESILIENCE PLAN

ENVIRONMENT



- Provide Sustainability Tools
- Increase Research, Data Dissemination and Industry Leadership
- Expand Training and Benefits

SOCIAL



- Expand Stakeholder Outreach
- Focus on Health and Wellness
- Support Healthy, Vibrant, Diverse Communities

GOVERNANCE



- Build a Sustainability Team
- Strengthen Partnerships
- Institute Annual Sustainability Reporting

RESILIENCE



- Expand Sustainability and Resiliency Guidance
- Provide Guidance on Financing Resiliency
- Explore Extreme Weather and Climate Risk for Our Industry

The National Association of REALTORS® Sustainability & Resilience Plan reflects, reinforces and advances a structured sustainability approach to enhance NAR's overall priorities of supporting homeownership, property rights and strong communities. The plan was created and adopted in 2020 using industry best practices. It is organized into four sections that include guiding principles, goals, targets and recommended actions. Implementation of the plan will continue through 2030 and includes collaboration among staff and members. This report provides a snapshot of some of the association's achievements from the past year based on the Sustainability & Resilience Plan.



**ASSOCIATION
SUSTAINABILITY
SNAPSHOT**

ENVIRONMENT

ENVIRONMENTAL INITIATIVES · RESEARCH & DATA · MEMBER EDUCATION

1. Planting 1.575 Million Trees: In 2023, NAR continued to build upon the commitment established in 2022 to planting 1.575 million trees—one for each member of NAR at the time—by the end of 2025. By NAR’s partnership with the National Forest Foundation, this year saw **625,434** trees planted across seven National Forests to support reforestation efforts addressing wildfire recovery and to rebuild and revitalize native wildlife habitats.

The National Forest Foundation utilizes native, ecologically appropriate trees for each area in which plantings occur to ensure the health and viability of planting efforts for the long run. Over their lifetime, the trees planted under this partnership in 2023 can store an estimated 312,717 MT CO₂e to help mitigate climate change. That amount of carbon dioxide sequestered is equivalent to removing the emissions from **60,847** homes’ electricity use for one year or removing **69,589** gasoline-powered passenger vehicles off the road for one year.

2. NAR’s Headquarters & the Master Vision Project: At both the Chicago and D.C. offices, the teams managing building operations and construction recognize the value of sustainability and efficiency.

This pillar measures the impact of specific, positive actions or programs linked to the natural environment.

Examples of actions under this pillar include items with a focus on environmental sustainability, energy reduction measures or general education of members and stakeholders on sustainability.





- The Chicago Headquarters achieved LEED v4.1 Level Gold recertification following its evaluation in July 2023. Recertification requires tracking and documenting monthly building waste stream reports and utility bills, conducting annual indoor air quality testing, and administering transportation and occupant comfort surveys to all building tenants.
- For a second year in a row, the GNP management group for the Chicago HQ set and met their goal of diverting 50% or more of the total waste produced by the building from the landfill.
- Additionally, NAR's D.C. building achieved LEED Silver certification and both buildings plan to maintain and pursue continued improvement of the operational efficiency and wellness standards for tenants of the buildings.

3. The Food Recovery Network: NAR continued its partnership with the Food Recovery Network to donate unused viable food

portions to local hunger fighting initiatives from its major meetings. In 2023, NAR donated even more food than it had the year prior, with a total of 6,131 pounds of food donated. That is equivalent to 5,109 meals and brings NAR and its affiliates' total surplus recovered since 2019 to 13,629 pounds of food, equivalent to 11,357 total meals.

4. REALTORS® & Sustainability Reports (Residential & Commercial): NAR continues to provide members with the latest research and data on sustainability and the real estate industry by annually producing the REALTORS® and Sustainability research reports. These reports, one for Residential and one for Commercial real estate data, highlight sustainability topics and issues facing the industry and define market activity around sustainability by surveying NAR members across the county.

Highlights from the 2023 REALTORS® & Sustainability Reports include:

Residential:

- **32%** of respondents reported that their **MLS has green data fields**, and respondents typically used the green data fields to promote green features and energy information.
- The home features that clients listed to their agent or broker as very important included windows, doors and siding, proximity to frequently visited places, and comfortable living space.
- **50%** of respondents said that **in the past 12 months, they had been directly involved with a property with green features**, either on the buyer or seller side.

Commercial:

- A majority of agents and brokers (**65%**) said that **energy efficiency promotion** in listings was **very or somewhat valuable**.
- **39%** of REALTORS® said buildings with **green certifications**, such as LEED, Green Globes or the Living Building Challenge, had **increased commercial property values**.
- **52%** of respondents were extremely comfortable or **comfortable answering clients' questions about building performance**, while 17% said they were uncomfortable or extremely uncomfortable.

FUTURE OPPORTUNITIES:

- NAR looks forward to continuing its tree-planting partnership with the NFF through 2025. The association will continue to find ways to provide updates on planting progress to its members and to engage members actively on the positive impacts that this initiative provides in specific markets where planting takes place.
- Develop an environmental clean-up event template for state and local associations to assist various markets with addressing environmental and sustainability concerns and provide support in mobilizing REALTORS® for community good.



SOCIAL

ENGAGEMENT & EDUCATION · HEALTH & WELLBEING · DIVERSITY & EQUITY IN OPPORTUNITY

1. Sustainability Summit: In September 2023, due to growing interest and demand for education and resources on sustainability, NAR hosted its very first open-registration Sustainability Summit in Austin, TX. Previously an invitation-only event, the Sustainability Summit brings together industry professionals to explore and discuss sustainability and resiliency topics most pressing and relevant to the real estate industry.

The 2023 Sustainability Summit featured two days of educational sessions covering a broad range of topics from climate risk and the built environment to the Inflation Reduction Act and more. With a keynote address and book signing by Andrew Winston, a global thought leader on strategy and sustainability, attendees gained inspiring perspective and insight to the value and importance of sustainability as a business practice.

Beyond valuable educational programming, attendees enjoyed the opportunity to explore local Austin highlights. Whether it was touring cutting-edge sustainable buildings on the Field Experience, “Innovate Austin,” or the welcome reception at the Umlauf Sculpture Garden, attendees had a chance to experience the unique, “outside the box” hotspots that lend Austin its charm.

This section promotes the growth of sustainability by unlocking opportunities for health, equity and well-being. It includes activities, initiatives and events undertaken by the association to engage employees, associations, members and communities.

Examples of actions under this pillar include partnerships, member meetings, engagement opportunities and climate equity.





2. “Behind the Scenes” Tours & Field

Experiences: NAR was excited to work with the venues hosting many of the meetings and conferences this year to provide “behind the scenes” tours for attendees interested in seeing sustainability in practice.

- At both convention centers hosting the largest NAR meetings this year, the REALTOR® Legislative Meetings and NAR NXT in Anaheim, CA, ticketed tours provided insight into how even large facilities can lead on sustainability and resilience in areas such as water and energy efficiency, indoor environment quality, health and safety, waste reduction and more.
- The 2023 Sustainability Summit featured the first Field Experience of the year, “Innovate Austin,” focused solely on providing NAR event attendees an inside look at unique, innovative buildings pushing the envelope on what it means to thoughtfully develop a sustainable, resilient, and efficient built environment.

3. Sustainability Corner at NAR NXT: The Sustainability Corner footprint at the NAR NXT Expo in Anaheim, CA, offered hands-on education and engagement for individuals exploring the Expo floor.

- NAR was thrilled to bring back Chefs Christopher Galarza and Rachelle Boucher for a second year of culinary demonstrations of easy, delicious meals on the fully electric induction stove and cooktop. These demonstrations helped to inform audiences on the time, environment, and health benefits of reducing natural gas usage in the home.

- Southern California Edison hosted educational mini lessons throughout the day on a variety of sustainable opportunities for homes and homeowners around the country, including the benefits of electrification, accessory dwelling units, as well as electric vehicles via the Ford F150 Lightning right there on the Expo floor.
- NAR's Sustainability staff worked with guests to answer questions about NAR's support for association sustainability projects, grants, and resources, connecting members to the information they need most to be leaders in sustainability.
- Brought together state and local advocates, community leaders, and members interested in sustainability
- Celebrated the more than 200,000 trees planted in Idaho to address wildfire recovery in 2023 under the NAR-NFF initiative
- Uncovered sustainability and stewardship opportunities on a regional, state and community level to support sustainability, resilience and homeownership

4. Community & Stewardship: Building upon the tree-planting initiative with the National Forest Foundation, NAR hosted its first "Community and Stewardship" event in Boise, Idaho in April. This event:

FUTURE OPPORTUNITIES:

- Continue to build out NAR's available sustainability education offerings, including adding courses on green financing and other timely topics in collaboration with the Center for REALTOR® Development, as well as continue to build upon conference session offerings at all NAR meetings, supporting a cultural infusion of sustainability content to NAR members.
- Continue to offer an expanding portfolio of resources for members and associations to become more engaged in the health, diversity and sustainability of their local communities.
- NAR is excited to continue hosting the Sustainability Summit as an open-registration event for professionals seeking to participate in the growing conversation around sustainability and its incredible value to the real estate industry. The 2024 Sustainability Summit will be held June 4-5 in Minneapolis, MN.

GOVERNANCE

LEADERSHIP · PARTNERSHIPS · REPORTING & PERFORMANCE

- 1. Sustainability Toolkit for State & Local Associations:** In November, developed with the insight and expertise of the Sustainability Advisory Group, NAR published to nar.realtor the Sustainability Toolkit for State and Local Associations. This resource was designed to help associations through the process of establishing, implementing, and building sustainability into their everyday practices and operational decision making. The Toolkit guides associations through identifying the challenges and opportunities specific to their market and organization, building a strategic plan to foster long-term constructive change and integration, and provides actionable recommendations to implement towards their sustainability and resiliency goals. This key resource is designed to be expanded upon in future years to continually provide better, more robust support for associations and to uplift REALTORS® as leaders on sustainability in the real estate industry.
- 2. NAR Sustainability Grant:** After a successful pilot year, NAR had the opportunity to offer the Sustainability Grant once again to State and Local Associations to support sustainability initiatives at the board level. This grant provides funding assistance to state and local associations for projects that align with NAR's Sustainability and Resilience Plan. Funds help associations with a variety of initiatives, like implementing a sustainability program, event or plan, and encourages the ongoing awareness of sustainability in real estate. In 2023, \$100,000 was made available with a cap of \$5,000 per association. In its second year, NAR was honored to provide grant funding to 20 different associations' sustainability-focused projects.

The Governance pillar shows how NAR is leading forward on sustainability and focuses on introducing and implementing the concepts of sustainability to members, state, and local associations using an integrated approach that brings sustainability into all areas of an association.

Examples of governance efforts include leadership and support, data and reporting, operational decisions related to ESG+R, and industry partnerships.





3. Sustainable Events Policy: In 2023, NAR drafted and developed a Sustainable Events Policy designed to bolster its commitment to becoming the recognized leader for industry and community sustainability and resiliency. The policy provides guidelines and recommendations for minimizing NAR's environmental footprint, promoting social responsibility, and fostering sustainable practices at events. This framework, expected to go into practice starting with events in the 2024 calendar year, encourages sustainable practices at any meeting or event held by the organization, regardless of size and throughout the lifecycle of an event, to the maximum extent practicable.

4. NAR Carbon Footprint Preliminary Investigation: Recognizing the growing importance and potential likelihood of future rules requiring climate-related disclosures, the 2023 Sustainability Advisory Group began a preliminary investigation to understand and identify the potential carbon footprint of the association. This preliminary investigation will help NAR to better understand the activities it undertakes as an association that produce carbon emissions under Scope 1, 2 and 3 classifications and identify the tools and resources currently available in the market, should the association desire or potentially be required to produce formal carbon-footprint reporting in the future.

5. HomePerformanceCounts.info: This joint initiative between NAR and the National Association of Home Builders (NAHB) continues to provide REALTORS® and builders with resources and information to improve their understanding of the intricacies behind home performance. By utilizing the resources available at homeperformancecounts.info, REALTORS® can learn the value of early and frequent collaboration with home builders to better understand and communicate the value of high-performing homes to clients. This NAR-NAHB collaboration highlights and simplifies for REALTORS® the consumer benefits which healthy, efficient and sustainable homes provide.



FUTURE OPPORTUNITIES:

- NAR looks forward to expanding and continually improving its Sustainable Meeting Policy as further opportunities become identified through its implementation and to improve against current and future sustainability goals and industry standards.
- Continue offering the Sustainability Grant to further increase the accessibility of sustainability-focused projects and programs and develop resources to improve understanding of opportunities for state and local associations.
- NAR continually strives to provide industry leadership on sustainability as formally recognized by the 2023-2025 NAR Strategic Plan.

RESILIENCE

RESILIENCE STRATEGY · RESILIENCE FINANCING · EXTREME WEATHER & CLIMATE RISK

1. Climate Event & Resilience Research: The 2023 Sustainability Advisory Group (SAG) led an effort to gather and analyze research and data around the 2018 Camp Fire in Paradise, CA. This marks the second year of this group's research into a specific climate event to gain greater insight to the impact of extreme weather events on real estate markets and the REALTOR® livelihood.

In 2022, research focused on the impact from Hurricane Katrina and looked into quantitative data such as the volume of residential transactions and home sales both before and after the event. The SAG chose to deepen and expand research around 2023's focus, the 2018 Camp Fire, to include an investigation into the qualitative data surrounding the event. Working with both the NAR Research and Library & Archives teams, this research built upon the prior efforts of the SAG and is a step towards a deeper understanding of the impact which extreme climate events have on real estate transactions and REALTOR® livelihood.

2. National Flood Insurance Program Advocacy: In September 2023, facing an impending potential government shutdown, NAR mobilized its membership with a nationwide call to action. This call asked members to contact Congress and warn of the risk posed by allowing a lapse in the National Flood Insurance Program (NFIP) that would occur given a government shutdown. The NFIP provides hundreds of thousands of dollars of flood coverage where required for a federally backed mortgage in 22,000 communities nationwide. Mobilization by the tens of thousands of REALTORS® helped to extend the availability of the NFIP and support families

This section focuses on helping members and communities mitigate and adapt to current and future risks to the industry using short- and long-term goals and actions that help REALTORS® and communities respond to and prepare for extreme weather and a changing climate.

Examples of resilience actions include grants and funding, strategic planning integration, extreme weather preparedness, and climate research.



FUTURE OPPORTUNITIES:

- NAR values the opportunity to continue climate event and resilience research to help our members better understand specific risks that link climate events to real estate transactions and communities. This project will continue to examine several other major weather events in recent history and the data that helps inform REALTORS® of market-based climate risk.
- Offer and maintain current resources for extreme weather and resilience assessments for state and local REALTOR® Associations through nar.realtor/sustainability.

at risk from a costly and increasingly common weather event exacerbated by climate change.

3. Grants and Funding: Beyond the Sustainability Grant, NAR has several grants and funding opportunities designed to support associations in making their local markets vibrant, diverse and equitable communities.

- The **Smart Growth Grant** provides funding for associations to pursue projects and programs that emphasize the Smart Growth Principles. These principles, such as creating walkable neighborhoods and encouraging community and stakeholder collaboration in development decisions, are designed to keep equity, diversity and vibrancy at the heart of any community development project, program or plan.
- The **Placemaking Grant** encourages associations to support and develop spaces that increase community access to a vibrant and lively outdoors. From community gardens and playgrounds to alley activations and park trails, the Placemaking grant recognizes that all communities benefit from healthy, diverse and easily accessible outdoor recreation, both those that provide business benefits and aesthetic enjoyment.
- The **Housing Opportunity Grant** can be used to support efforts to encourage the development of Accessory Dwelling Units in communities and increase equitable access to housing.



**NAR TEAMS:
ESG+R
HIGHLIGHTS**

NAR TEAMS: 2023 ESG+R HIGHLIGHTS

STRATEGIC BUSINESS, INNOVATION AND TECHNOLOGY

Strategy and Innovation

- Consistently promote advancements in Climate Technology.
 - Examples include providing sessions at the iOi Summit on how technology can be used to tackle the urgent challenges of sustainability and climate change, inspiring attendees to act and contribute to building a sustainable future for our planet.
- With NAR's ESG goals in mind, during the selection process of companies to participate in the iOi Summit's coveted pitch battle, the S&I team invited Real Estate Decarbonization startup Accacia to participate, further showing our commitment to educate, and prepare for future risks.
- The Strategy & Innovation team supports DEI efforts by discussing and promoting equity across the industry through sessions at iOi and the Proptech Meetup.
- The 2023 iOi Summit participated in NAR's partnership with the Food Recovery Network to donate hundreds of meals of surplus food to local hunger fighting nonprofit organizations.



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

Second Century Ventures and REACH

- Significant efforts have been directed towards ESG compliance, energy efficiency, waste management, and innovative sustainability solutions, highlighted by investments from in REACH companies such as ClairCo, PIPP.ai, and Pearl Certification among others.
- Other initiatives combat climate change and pursue net-zero goals as demonstrated by investments in Grand Bequest, Verv and Bisly.
- The SCV & REACH team works to support the Social pillar's emphasis on community engagement, health, well-being, and Diversity, Equity, and Inclusion (DEI) initiatives, with notable partnerships and programs aimed at affordable housing technology and founder wellness.
- SCV/REACH has prioritized educational outreach and thought leadership on sustainability and affordable housing, with over a dozen portfolio companies contributing insights.
- SCV & REACH showcase global thought leadership through active participation in global climate-based leadership summits, demonstrating strong global engagement in combating climate change and promoting sustainability.
- They strive to promote initiatives that bridge ESG+R pillars and highlight a holistic approach through innovative solutions and partnerships, with particular focus on affordable housing and gender diversity.
- Through these initiatives across global geographical regions and operational facets, SCV/REACH embodies a holistic approach towards achieving a sustainable and equitable operational framework, in sync with the 2020 guidelines set forth by NAR.



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

BUILDING OPERATIONS

Chicago Headquarters

- **Recycling/Waste Diversion** – The GNP Management team of the NAR Chicago office building has set the 2023 goal to divert 50% or more of the building total waste from the landfill. Based on last year’s totals, that would be approximately 150,000 pounds. As of November 2023, they are on pace to meet or exceed the 50% diversion rate goal for 2023.
- **LEED Certification** – The building achieved LEED v4.1 recertification Level Gold with 61 points on July 25, 2023. To achieve recertification, the team is required to continually record & monitor the building’s performance. This includes tracking and documenting the monthly building waste stream reports and utility bills, conducting annual IAQ testing, and administering transportation & occupant comfort surveys to all building tenants. The GNP team achieved its goal of maintaining the building’s gold certification in 2023 and will continue on this path in an effort to maintain the Gold certification going forward.
- **ComEd Virtual Commissioning Program** – 430 N. Michigan is currently enrolled in the ComEd Virtual Commissioning Program. Virtual Commissioning (VCx) is a free service that helps properties pinpoint where your facility is wasting energy, potentially reducing annual energy costs by 5-15%. An expert energy advisor remotely analyzes



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

data drawn from the building's ComEd smart meters and then provides recommendations for low-cost and no-cost improvements. NAR has been enrolled in this program for approximately one year and the building's current average daily use is 6% lower than it was at the same time last year.

■ Peoples Gas Energy Efficiency Program

- The building plans to take advantage of the Peoples Gas Steam Trap testing program in the spring of 2024. Eligibility for this program is only available every two years and NAR last took advantage in the spring of 2022.
- The building is in the process of scheduling the 2023 fall season boiler tune up. The building contractor will work with Peoples Gas to complete the boiler tune-up checklist and provide pre- and post-combustion readings so that Peoples Gas will provide a rebate to cover some or all of the annual tune-up cost. Having the tune up done each season ensures that the boiler is operating most efficiently during the heating season.

- **MV Project Update** – The Lobby, 9th, and 11th floor renovations wrapped up this year, with the Lobby common area marking 100% completion of the NAR Master Vision project. While floor remodels and fit-outs will continue into next year and beyond, the GNP team

will continue to make sustainable upgrades as each space is built out. For example, the 9th floor was outfitted with new HVAC controls, AHU that utilizes fan array technology for more energy efficient operation, and all lighting on this floor was upgraded to LED fixtures with daylight harvesting controls.

D.C. Building

- Working to replace all 20 year old HVAC-related equipment with modern high efficiency components.
- Upgrading and replacing all lighting to LED and direct lighting controls to a central web based system to enhance operation and allow the monitoring energy use.
- Enlarged the “pollinator” habitat on the roof and plaza.
- Working to utilize wind turbines and solar panels on the roof and penthouse structure to reduce the amount of electricity that is purchased from the grid to power the buildings operations.

NAR TEAMS: 2023 ESG+R HIGHLIGHTS

MEETINGS AND EVENTS

- In 2023, the Meetings & Events team developed a Sustainable Meetings Policy providing guidelines and recommendations on minimizing NAR’s environmental footprint, promoting social responsibility, and fostering sustainable practices at any and all NAR meetings and events beginning in 2024.
- Coordinated Food Recovery Network relationship and collection at NAR meetings and events across the country over the course of the year resulting in a total of 6,131 pounds of food donated this year, the equivalent of 5,109 meals in 2023 alone.
- Request impact reports when available from hotels and event venues NAR utilizes to better understand the carbon footprint of events held, a vital step towards reducing the environmental impact of an event over the lifecycle, from planning to execution.
- At the REALTOR® Legislative Meetings and NAR NXT Expos, all showcard signage was made with a recycled product called “honeycomb,” carpets were cleaned and reused for future events and directionals and other non-event specific items are reused when applicable.
- Hosted field experience opportunities at NAR NXT tied to ESG+R principles (the High Performance Homes and Master Planned Tour) as well as facilities tours at each of the convention centers hosting NAR’s major meetings—both of which sold out.
 - Walter E. Washington Convention Center in D.C. offered the “green building tour” for the first time at NAR’s request and will provide it as a service to other clients in the future due to its success and interest.
- Hosts and coordinates social wellness and health opportunities at NAR meetings such as the Sober Journey, morning yoga, Reset Room, REALTOR® and Affiliate Wellness Sessions and the Sober Happy Hour at NAR NXT.



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

CREATIVE AND CONTENT STRATEGY

- The Creative & Content Strategy team reduced bulk shipment of “REALTOR® Magazine” to brokerages, reducing our print quantity by approximately 250K copies per issue/1 million copies annually.
- Major strategic changes on the NAR Content team resulted in a reduction in “REALTOR® Magazine” print issues from six to four issues annually, along with improvements in digital to encourage and increase online engagement including the “Drive With NAR” podcasts, “Navigate With NAR” and an increase in digital “REALTOR® Magazine” distribution.
- The NAR Creative and Marketing teams partner with print vendors that are committed to sustainable businesses practices including the use of Forest Stewardship Council Certified (FSC) products, Sustainable Forestry Initiative (SFI) Chain of Custody program participants, low to zero VOC or water-based inks, and those with strong energy conservation and recycling practices. For these reasons and more, NAR Creative and Marketing works with:
 - Cardinal Color Group
 - Quantum
 - Envision/Omega Printing



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

ADVOCACY

Policy Advocacy

- Under the Policy Advocacy team, a work group explored the impact of climate risks on the sustainability of housing finance. This work group produced a summary of findings alongside a template for future NAR policy setting on the issue.
- The federal tax committee reviewed tax-related policy motions back to 1908, compiling a list of motions to support energy conservation activities, incentives to encourage housing and commercial buildings that meet energy-efficiency standards, and actions to mitigate potential damage from natural disasters and/or satisfy environmental goals related to natural resources and wildlife.
- Worked to advance the adoption of improved financing practices for accessory dwelling units, which increase density and limit the environmental impact of new construction.
- NAR held a forum to educate REALTORS® on the nuances of appraising green properties and green amenities as they affect market value.
- NAR continues to allow members to join committee meetings at NAR's biannual events via Zoom instead of in person. This change has reduced the environmental impact from travel and hotel laundering services.

Political Advocacy

- In 2023, the Political Advocacy Team with the State and Local Issue Mobilization Support Committee approved:
 - A \$20,000 grant for an impact study of clean lakes to Madison's economy and real estate values to the REALTORS® Association of South Central Wisconsin
 - A \$100,000 grant to the St. Louis Association of REALTORS® to study the causes of the black home ownership gap and how to address it.



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

- An \$80,000 grant to the Phoenix Association of REALTORS to support a bond initiative that includes \$26 million for Environment and Sustainability programs including funding for energy and water efficiency/renewable energy upgrades, heat resilience projects, brownfield redevelopment, and vehicle electrification stations.
- A \$30,000 grant to the Washington County (UT) Association of REALTORS® to support a bond initiative that will be used to connect trails, upgrade parks, and improve community recreation facilities in the city of St. George, Utah.
- A \$80,000 grant to the Columbia (SC) Association of REALTORS® for a Missing Middle Study, that would reduce land use.
- A \$25,000 grant to the East Tennessee Association REALTORS® to support an advocacy campaign to support missing middle legislation.
- The Political Advocacy team also elects to make their meeting at NXT Hybrid, permitting for less travel and the associated carbon emissions.

Community Outreach Program

- The Community Outreach Program provides resources to state and local REALTOR® associations to support their efforts to engage with local leaders to make the community better for all who live, work, and play there. In 2023, the Community Outreach Program distributed the following resources:
 - 340 grants to state and local REALTOR® associations for support totaling \$2,079,178. Projects included main street revitalization, community gardens, walkability studies, pocket parks, walking trails, fair housing education and affordable housing support, all of which help to make a community more sustainable for all who live there.
 - Additionally, the Community Outreach Program's Transforming Neighborhoods program, which brought a team of real estate experts from the Counselors of Real Estate to four communities in 2023, provided expert guidance to community leaders on how to repurpose old industrial sights, determine the best use of the land when an old high school was torn down and strategies to breathe new life into a dying main street.

NAR TEAMS: 2023 ESG+R HIGHLIGHTS

LIBRARY & ARCHIVES

- The Library's collection and lending policies were recently updated to concentrate on digital audiobooks and ebooks. This shifted the focus from physical books and other items that must be shipped and stored on site, to digital resources that can be accessed by NAR members and staff anywhere and anytime. The Library currently offers over 14,000 digital books and audiobooks for loan.
- The Library and Archives Team updated over a dozen nar.realtor reference pages on sustainability topics with new content, including: Resource Efficient Mortgages, Resource Efficient Homes, Natural Disaster Insurance, Water Rights & Resource Issues, Solar Energy Features, Sustainability, Wind Farms and Green Property Management.
- The Library's subscriptions to paper newspapers were phased out and replaced with digital editions.



NAR TEAMS: 2023 ESG+R HIGHLIGHTS

LEGAL

- The Legal Counsel Summit was held in a hybrid format, allowing over 70 registrants to participate in the Summit virtually without the cost, time and environmental impact of having to travel.
- The Legal Counsel Summit notebook, consisting of over 200 pages of materials, was distributed to more than 150 registrants electronically, saving thousands of pages of paper.
- The Legal Affairs team has begun incorporating electronic notice provisions into contracts, reducing waste from paper notices delivered via mail.
- Wherever possible, Legal Affairs team members use email instead of mail correspondence and invoicing with outside parties, members and state and local associations.
- For the NAR insurance program, the Legal Affairs team encourages email communication to report claims, rather than paper mail. Payments are processed by wire transfer, not paper checks. The insurance program will begin distributing policy information packets for the 2024 policy year via email as a default, rather than sending paper packets. All excess insurance purchases were moved to an online format several years ago to get away from paper applications and checks.
- Wherever possible, we opt for electronic submissions for annual corporate filings of all NAR-related entities.
- The Legal Affairs team promotes virtual presentations as an option for dozens of requests through the Executive Outreach Program, reducing the cost, time and environmental impact of travel associated with in-person presentations.
- Supporting materials for meetings of the Legal Action Committee, Risk Management Issues Committee and Credentials and Campaign Rules Committee are electronically delivered to committee members. Members are encouraged to view the materials in digital format and notebooks are only printed and provided upon request.



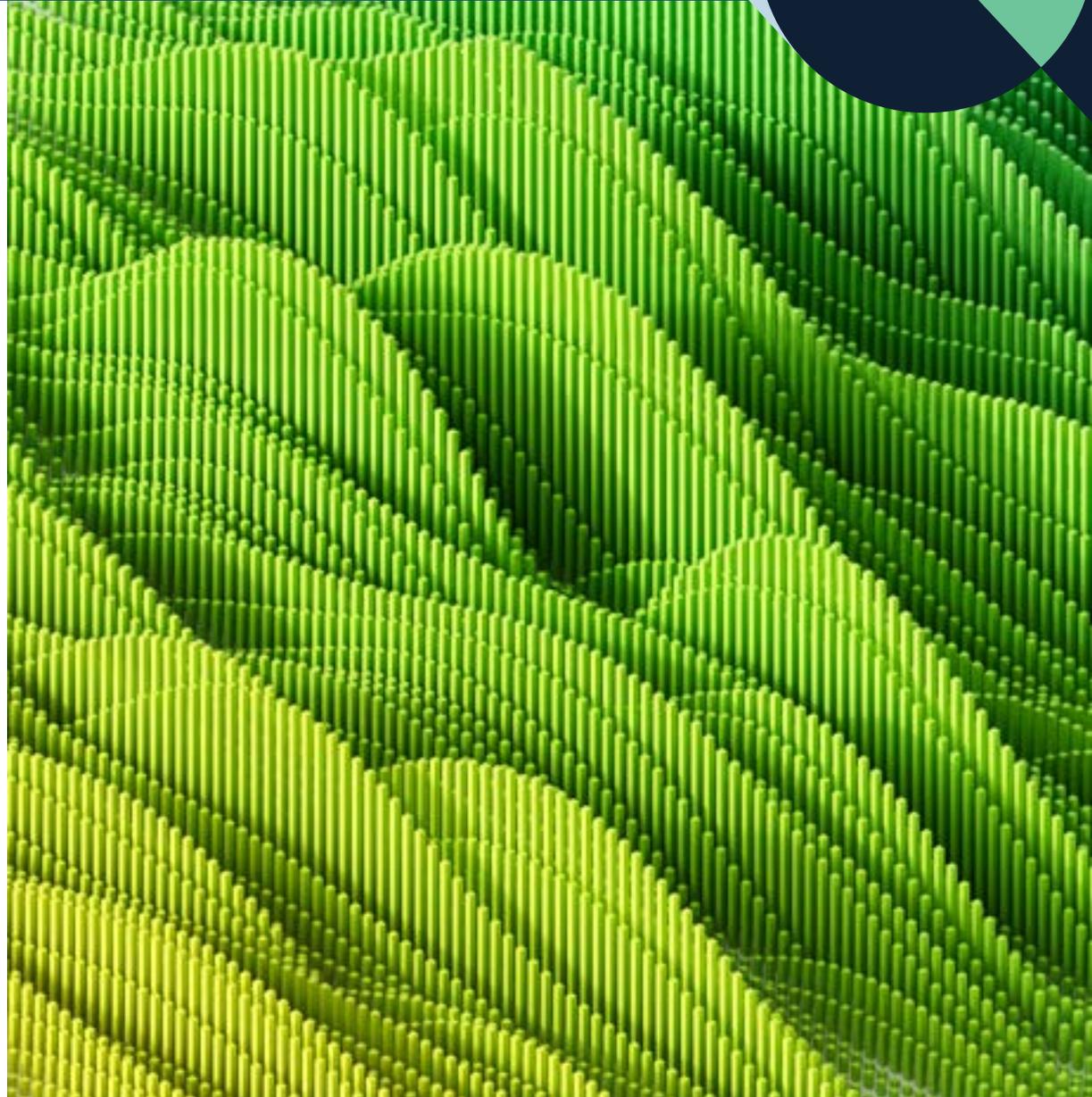
NAR TEAMS: 2023 ESG+R HIGHLIGHTS

RESEARCH

- NAR Research team produces the REALTORS® and Sustainability: Residential and REALTORS® and Sustainability: Commercial reports and works with the Sustainability Program to conduct additional survey research to better inform resource offerings and development.
- In 2023, Research has emphasized an increase in virtual and remote presentations, research and focus groups and Summits to reduce the carbon impact produced by frequent and extensive air travel.

INFORMATION TECHNOLOGY

- The NAR IT team has worked alongside other teams and NAR Leadership to monitor and maximize the efficiency of virtual and electronic systems that support day to day business and those that have replaced paper and aging processes to ensure NAR maintains a continual progress towards a reduced negative environmental impact through operation.



LOOKING AHEAD



BIG PICTURE: ORGANIZATION, INDUSTRY + MARKET OPPORTUNITY

A robust year in sustainability activity, the conclusion of 2023 provided the National Association of REALTORS® an opportunity to look back on a strong foundation of sustainability adoption and organizational integration that has been established across the first three years of implementing the NAR Sustainability & Resilience Plan. The coming years offer the opportunity for the organization to capitalize on this strong foundation to further expand and enrich the resources and information it provides, not just to its members, but to the industry.

Greater awareness and broader engagement on sustainability and resilience fosters opportunities for rich, diverse dialogue between stakeholders for the long-term continuation of the industry, enhancing and reinforcing NAR's overall priorities of supporting homeownership, property rights and strong communities.

Growing engagement and the increased ownership of sustainability across the teams of National Association staff, by various NAR committees, and by state and local associations across the nation, is demonstrative of a mounting recognition for the value sustainability provides to the viability of equitable homeownership and the greater real estate industry.

NAR will continue to uplift individuals' consciousness of the key business, environmental and community values behind sustainability to help support its members to become leaders prepared to meet industry challenges and act as drivers of positive change.



THANK YOU



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