

Pathway to Net Zero Carbon

Decarbonisation and Implementation Plan (UK)

Every day we are confronted with evidence of climate change, dramatic shifts in weather, social injustice, and global health crises. At the same time, our investors, clients, and employees are all increasingly demanding more efficient buildings, climate change resilience and preparedness, and enhanced health, safety, and social benefits. These global challenges require a global response – taking immediate and impactful action, putting people and the planet first, not only for Avison Young but for the clients we serve and the communities we live in.

Our climate commitments

Our UK business is stepping up our action on the climate crisis and has committed to a net-zero (Scopes 1 and 2) carbon target by 2030 (2040 globally).

We are signatories to:

- The World Green Building Council's Net Zero Carbon Buildings Commitment, which means by 2030 our workplaces in the UK will all operate at net zero carbon.¹
- The British Property Federation (BPF) net zero pledge, supporting a real estate sector transformation to deliver net zero buildings by 2050.

We have begun a decade of delivery where we want our UK business to lead the action on the climate emergency.

Near-term net-zero targets

- To reduce carbon emissions to net zero in all UK occupied buildings by 2030² from a 2019 base year.

Avison Young is a tenant across its occupied estate and in many cases within multi-tenanted spaces. This removes our ability to procure the energy supplies for the sites. However, we do request the details of the energy supplies for our existing sites and will lobby our landlords to switch to a green tariff where it is not.

Our recently developed Global Occupancy Standard now requires that when a new office is required that we only select sites that are free from fossil fuels and are supplied with 100% green electricity³. Our 17 U.K. offices run on a combination of renewable and non-renewable electricity tariffs - 70% of our sites are on a 100% renewable energy tariff. We will always seek to source REGO-backed electricity⁴ for any renewable tariffs offered to us via our landlord. The Global Occupancy Standard has wider ESG requirements to ensure that we only take up spaces that are efficient, low environmental impact and support health and wellbeing for our employees. This is guided by the minimum environmental standards and assessments such as BREEAM, SKA and WELL.

Avison Young does not own or lease company vehicles.

Avison Young has limited refrigerants within its workspaces that it owns and is responsible for. Most refrigerants are located within air conditioning systems for the cooling of server rooms. However, we no

¹ In 2020, Avison Young committed to be net zero by 2030 by joining the World Green Building Council (WGBC) Advancing Net Zero programme.

² Scopes 1 & 2 – UK only

³ Preferably 'high quality' renewable tariffs that meet the 3 UKGBC principles of Energy Attribute, Renewably Sourced and have Additionality.

⁴ Renewable Energy Guarantee of Origin (REGO) certificates are a tracking instrument which prove that power supplied to an end consumer comes from a renewable source.

longer host our data on site and any servers are limited to hosting print services. It is planned for the print services to also be moved to the cloud (serverless system) in 2024. Therefore, dedicated cooling for these spaces will no longer be required. Where this is the case, the systems will be turned off and decommissioned. For new sites the need for standalone refrigerant systems is not required where cooling requirements can be provided by the buildings central plant and be kept within compliant operating temperatures.

Avison Young has begun taking steps to understand its emissions from Scope 3 and identifying the categories where significant reduction can be made. This includes our procured goods and services, capital goods and business travel.

Long-term net-zero target:

Expand on our commitment to Net Zero, by including the decarbonisation of Scope 3 with an ambition to establish a formal target.

Advocacy

Beyond our own net zero journey we feel that it is essential to advocate for wider emissions reductions by engaging with our clients, our supply chain, decision makers and our peers. Here is just a sample of some of the advocacy we have been involved with:

- The AY ESG team has written an introductory article on the state of play of net zero carbon and how Local Authorities are tackling it within their building estates - [ACES \(Association of Chief Estates Surveyors and Property Managers in the Public Sector\) Winter Terrier 2021/22](#)
- World Economic Forum: [AY Global CEO Pledge 50% Cut in Real Estate Emissions by 2030](#)
- AY launches: [Building Zero - the road to zero carbon logistics](#)
- AY Net Zero Carbon Services - Net zero carbon and climate action e.g., Helping our clients achieve ISO 14001
- Avison Young, a global strategic real estate advisor, and BMM Networks, a leading independent Electric Vehicle (EV) charge point network installer and operator, have partnered to create a nationwide EV charging service for Avison Young's clients in a bid to futureproof investor property portfolios.
- Approved supplier procurement process to ensure minimum environmental standards.
- Membership of and participation with the Better Building Partnerships (BBP) Managing Agents Partnership
- AY Executive Committee commit to the [World Economic Forums Green Building Principles](#)
- British Property Federation - Member and Net Zero pledge
- MIPIM attendance
- In 2024, our 26-person team travelled by train to the International Real Estate Event MIPIM (Cannes, France). Everyone who took the train produced 411kg less CO₂e (carbon dioxide equivalent) than they would have done by flying.
- Produced and published the AY [Building Zero](#) insights report.
- Produce and publish the AY [Annual Impact Report](#)
- AY London Planning Team coordinated CPD from Hilson Moran, presenting Embodied Carbon and Carbon Optioneering CPD focusing on the City of London
- Bristol Green Capital Partnership - Climate Leaders Panel - Advocating Carbon Literacy training

Environmental Management Measures (Operational)

Avison Young is working to bring our global occupied office portfolio to net zero carbon emissions by 2040, with a 50% reduction by 2030. However, in the UK we are committed to achieving this by 2030. To that end, we're concentrating our presence in energy efficient buildings, including those that have been retrofitted or refurbished with a focus on sustainability. These steps are part of a broader decarbonization effort that extends across our operations, reshaping policies and practices in areas ranging from procurement to business travel.

To demonstrate accountability and signal support for standards and protocols that are guiding decarbonization efforts around the world, Avison Young has:

- Signed the World Green Building Council's Net Zero Carbon Buildings Commitment in U.K.
- Aligned our greenhouse gas (GHG) reporting with the GHG Protocol, a widely used reporting standard.
- Committed to developing Science Based targets.
- Signatory to the World Economic Forum's 10 Green Building Principles
- To date we have undertaken several initiatives to reduce our carbon emissions as well as planning future improvements.
- Sustainability data platform to centralise, validate and manage our data for accurate monitoring and measurement.
- Roll out of Automatic Meter Reading (AMR) meters to our offices to ensure that we have accurate and timely data.
- Made Carbon Literacy training available to all staff. We have achieved Carbon Literate Bronze status and are working towards Silver.
- Introduction of a salary sacrifice Electric Vehicle scheme.
- Launched our Global ESG strategy.
- We are in the process of:
 - Developing a Global Occupancy Standard to ensure that we select, fit out and operate our offices in accordance with our Net Zero and future Science Based targets.
 - Reviewing and updating our travel and expense policies to ensure that travel is minimised and modes with the lowest carbon emissions are selected.
 - Implementing a global sustainability data platform

Environmental Management Measures (Commercial)

At Avison Young, we place clients and communities at the heart of our net zero carbon transition. Our pathway to net zero carbon is significantly influenced by the integration of sustainability advice within our service delivery to clients, enabling us to effect change in a deliberate and meaningful way. We integrate ESG principles throughout the asset lifecycle, addressing risks on acquisition, asset management, and building performance, while engaging stakeholders, fostering health and wellbeing, and ensuring transparent shareholder reporting and disclosures.

We have pledged to advocate for all buildings to be net zero carbon by 2050 and to demonstrate leadership in supporting the wider transition through training and skills development, community engagement, and influencing relevant government legislation, such as the Climate Change Act 2008 (2050 Target Amendment) Order 2019.

We rely on the skill, knowledge, experience, and creativity of our people who manage projects and properties to ensure that sustainability is at the heart of our business and the spaces we manage and brands we help to

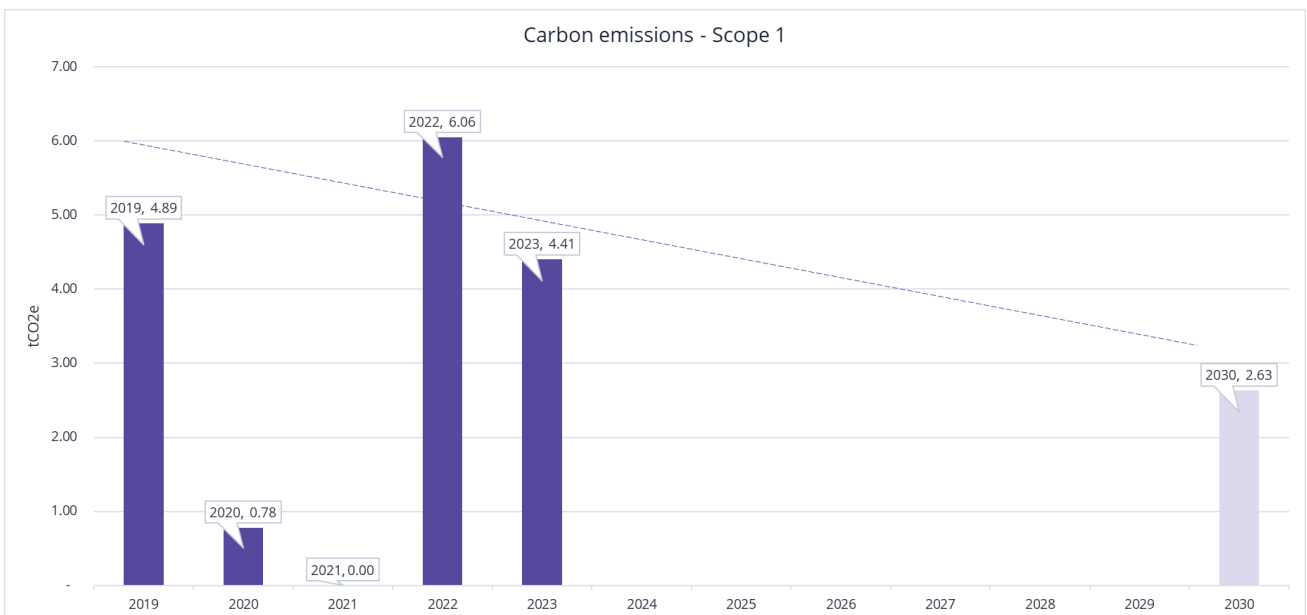
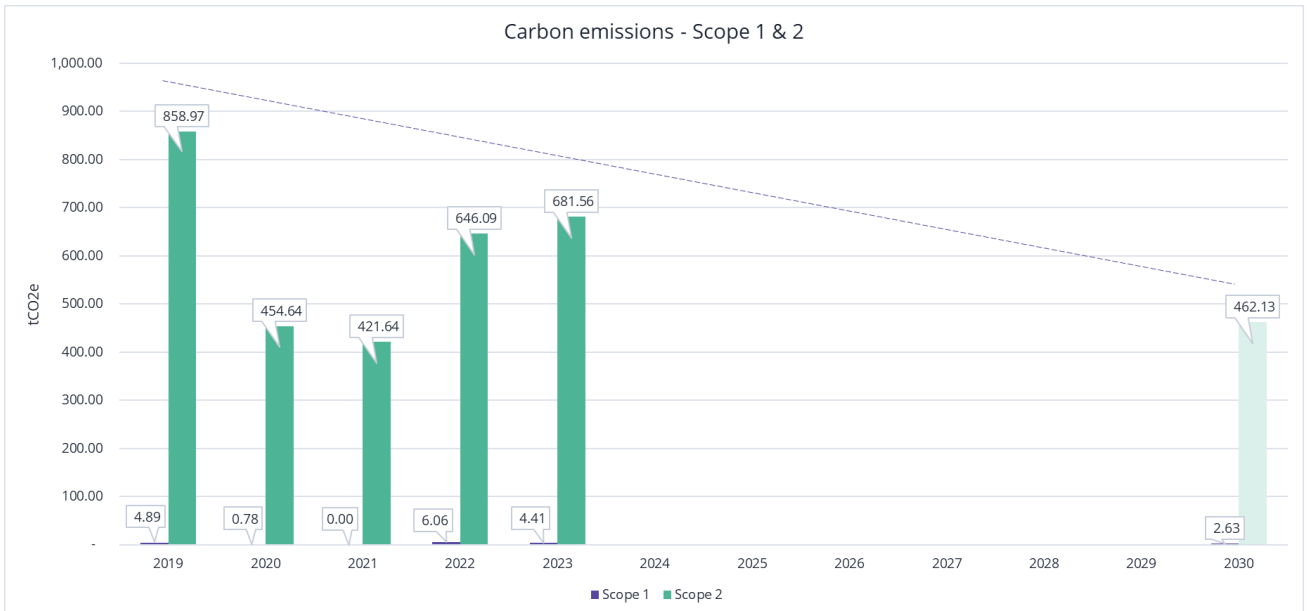
build. A key tenet of our commercial approach to carbon reduction is not to 'impose' an external perspective onto our clients. We see much greater benefit in working with our clients to shape a sustainability or carbon reduction approach that meets their needs. In this spirit, we have set out below a selection examples, in regard to how we reduce the carbon emissions from our commercial services, recognising our clients (and their partners) may have other priorities that we can support, which may be more impactful than our initial ideas. Outlined below are some of the core environmental functions we can provide to clients to help achieve net zero carbon reductions:

- **Carbon Emissions Reduction:** We take proactive steps to reduce our carbon emissions in the delivery of client contracts, including optimizing energy use and minimizing waste.
- **Supplier Engagement:** We encourage third-party suppliers to reduce their own environmental impacts and adhere to sustainable practices.
- **Green Travel Planning:** Green travel planning is a core element of our business-related transport planning, promoting the use of low-carbon transportation options.
- **Management Training:** Our management training ensures a minimum level of competence, education, and engagement with sustainability matters for all real estate management staff.
- **Energy Audits:** Any assets identified through benchmarking as poorly performing will be recommended for an energy audit to identify improvement opportunities.
- **Effective KPIs:** We set bespoke, effective KPIs to ensure that essential sustainability and net zero carbon criteria identified during the due diligence stage of a tender are translated into practice.
- **Science-Based Targets:** As part of our commitment to becoming net zero carbon in operation by 2030, we are seeking to set Science Based Targets based on our scope 1, 2, and 3 emissions.

Additional Environmental Management Measures –

- **Sustainable Procurement:** We prioritize the procurement of environmentally friendly products and services, ensuring that our supply chain supports our sustainability goals.
- **Waste Reduction and Recycling:** Implement comprehensive waste reduction and recycling programs across all managed properties.
- **Water Conservation:** Promote water conservation practices and the installation of water-efficient fixtures and systems.
- **Biodiversity Enhancement:** Enhance biodiversity through the creation and maintenance of green spaces and the use of native plant species in landscaping.
- **Technology and Innovation:** Invest in innovative technologies that improve building efficiency and reduce environmental impact.
- **Employee Engagement Programs:** Develop and implement programs to engage employees in sustainability initiatives, fostering a culture of environmental stewardship.

Trajectory



Road Map – Our Pathway To Net Zero

Our route map to net zero carbon by 2030

2020



Data, policy and training

2023
We are here



Efficiency, governance and reporting

2025



Embodied carbon

2028

2030



Offset

Net Zero

Data, policy and training

- Benchmark and data collection
- Data platform
- Automatic meter reading-electricity
- Training
- Identify office efficiency quick wins
- Offset Scopes 1 and 2 (partial Scope 3)

Efficiency, governance and reporting

- Expand metering to heat and water
- Global occupancy standard and real estate strategy
- Enhanced expense and travel policy
- Formalize Scope 3 reporting
- Offset Scopes 1 and 2 (partial Scope 3)
- Analyze and engage value chain to reduce Scope 3 emissions

Embodied carbon

- Reduce embodied carbon and integrate circularity principles
- Continue to drive down Scope 3 emissions in the value chain
- Offset Scopes 1 and 2 (partial Scope 3)

Offset

- Offset residual emissions (Scope 1, 2 and 3) into UKGBC approved carbon sequestration and social value projects

Footprint

Baseline year emissions: 2019	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	4.89
Scope 2	871.86
Scope 3	11,622.70
Total Emissions	12,499.45

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	4.41
Scope 2	681.55
Scope 3	15,938.10
Total Emissions	16,624.06

Scope and Boundary

Our Net Zero Carbon 2030 targets are designed for where Avison Young has operational control, which represents 100% of our UK occupied office space by floor area and only includes scopes 1 and 2.

We do not currently exclude any sites but scenarios for exclusion would include fully serviced office spaces and our affiliate offices.

Scope 3 emissions net zero targets will be targeted for no later than 2040.

Methodology

The Company reports its Greenhouse Gas ('GHG') inventory using the World Resources Institute and World Business Council for Sustainable Development GHG Protocol Corporate Accounting and Reporting Standard Revised Edition (the 'GHG Protocol') as a framework for calculations and disclosure as well as carbon conversion factors published by the UK's Department for Energy Security and Net Zero in June 2023. Reporting includes all activities where the Company has operational control. Scope 2 market-based emissions have been calculated in accordance with the GHG Protocol Scope 2 Guidance on procured renewable energy.

Governance

Ensuring credibility of our data and reporting we annually seek third party carbon footprint verification using an approved verification standard such as ISO14064.

We additionally submit our carbon data annually to the WGBC and publicly publish via our SECR disclosure.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard^[3].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

SIGNED ON BEHALF OF AVISON YOUNG UK (LTD):

Signed

Name:

Position:

Date:

^[1]<https://ghgprotocol.org/corporate-standard>

^[2]<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

^[3]<https://ghgprotocol.org/standards/scope-3-standard>

Glossary

WGBC – World Green Building Council

tCO₂e – tonnes of carbon dioxide equivalent

AMR – Automatic Meter Reading

UKGBC – UK Green Building Council

GHG – Greenhouse Gas

SDG – Sustainable Development Goal

REGO – Renewable Energy Guarantee of Origin

UNFCCC – United Nations Framework Convention on Climate Change

BPF - British Property Federation

BREEAM – The Building Research Establishments leading science-based suite of validation and certification systems for sustainable built environment

SKA – SKA rating is an environmental assessment methodology and benchmarking tool for fit-out projects.

WELL – WELL building standard is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact human health and well-being, through air, water, nourishment, light, fitness, comfort and mind from the International Well Building Institute.