Portraits
of progress

Avison Young U.K.'s carbon footprint

Appendix

2022 Impact Report

AVISON YOUNG

Appendix

Avison Young U.K.'s carbon footprint

This section details additional information about the basis of our reporting, the emissions scopes disclosed, performance over time and the data assumptions and estimations made in the calculations.

Avison Young U.K.'s carbon footprint

Carbon footprint, U.K., 2019 to 2022

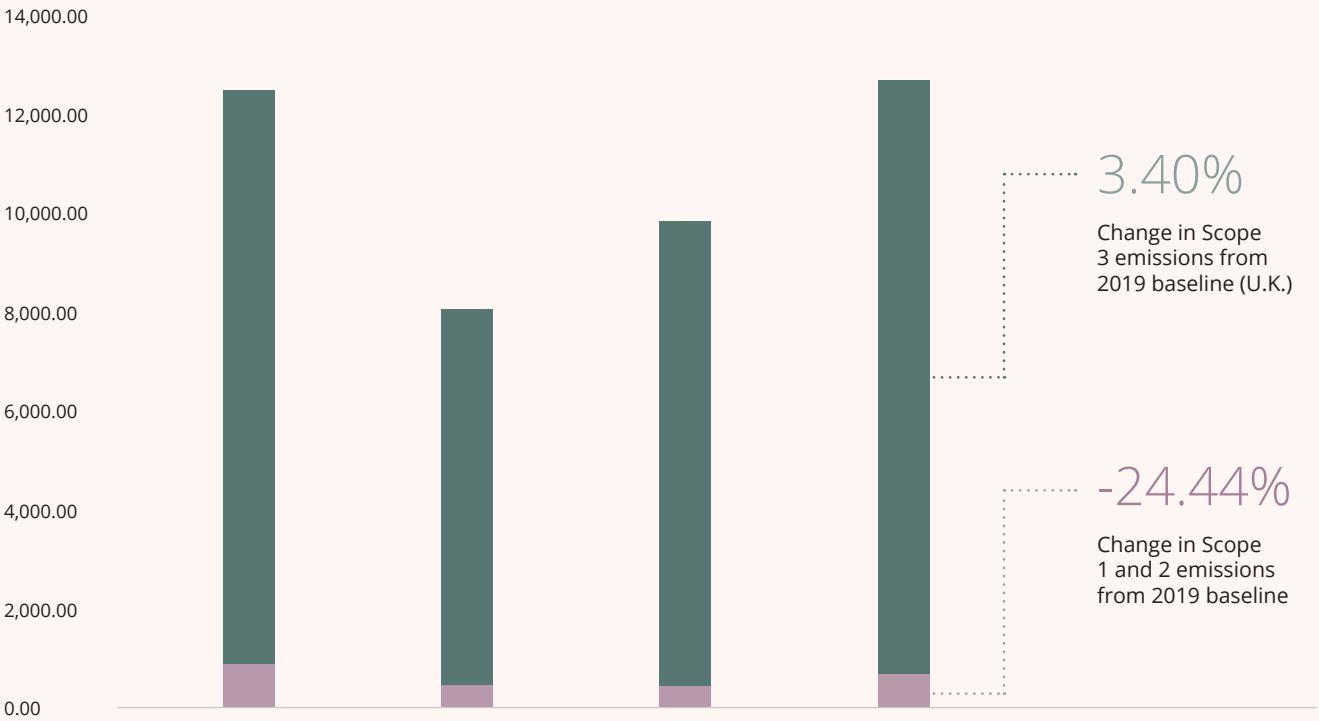
		2019		2020		2021		2022	
Scope	Source	tCO_2e	Share of footprint	tCO_2e	Share of footprint	tCO_2e	Share of footprint	tCO_2e	Share of footprint
S1	Gas	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S1	Fuel (car)	4.89	0.04%	0.78	0.01%	0.00	0.00%	6.06	0.05%
S1	Refrigerants	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Scope 1	**Sub-total**	**4.89**	**0.04%**	**0.78**	**0.01%**	**0.00**	**0.00%**	**6.06**	**0.05%**
S2	Electricity	530.26	4.24%	217.73	2.70%	178.32	1.81%	412.45	3.25%
S2	Heat	341.59	2.73%	247.50	3.08%	254.27	2.58%	244.00	1.92%
Scope 2	**Sub-total**	**871.86**	**6.98%**	**465.23**	**5.77%**	**432.59**	**4.38%**	**656.45**	**5.18%**
S3 Cat 1	Purchased goods and services	7,487.68	59.90%	6,127.33	76.05%	7,905.11	80.12%	9,327.81	73.56%
S3 Cat 2	Capital goods	839.40	6.72%	397.25	4.93%	481.23	4.88%	565.50	4.46%
S3 Cat 3	Fuel/Energy not in S1 and S2	195.54	1.56%	102.61	1.27%	128.75	1.30%	205.27	1.62%
S3 Cat 4	Upstream transport and distribution	19.24	0.15%	37.45	0.46%	35.15	0.36%	26.24	0.21%
S3 Cat 5	Waste	11.04	0.09%	6.21	0.08%	2.11	0.02%	4.21	0.03%
S3 Cat 6	Business Travel	1,107.62	8.86%	544.37	6.76%	586.45	5.94%	949.26	7.49%
S3 Cat 7	Employee commuting	1,962.17	15.70%	375.81	4.66%	295.74	3.00%	939.53	7.41%
S3 Cat 8	Upstream leased assets	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 9	Downstream transport and distribution	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 10	Processing of sold goods	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 11	Use of sold goods	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 12	End of life treatment of sold goods	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 13	Downstream leased assets	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 14	Franchises	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
S3 Cat 15	Investments	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Scope 3	**Sub-total**	**11,622.70**	**92.99%**	**7,591.02**	**94.22%**	**9,434.54**	**95.62%**	**12,017.82**	**94.78%**
Total		**12,499.45**	**100.00%**	**8,057.03**	**100.00%**	**9,867.12**	**100.00%**	**12,680.32**	**100.00%**
	Change compared to baseline	N/A	⟷	-35.54%	↓	-21.06%	↓	1.45%	↑

Avison Young U.K.'s carbon footprint

Carbon footprint, U.K., 2019 to 2022

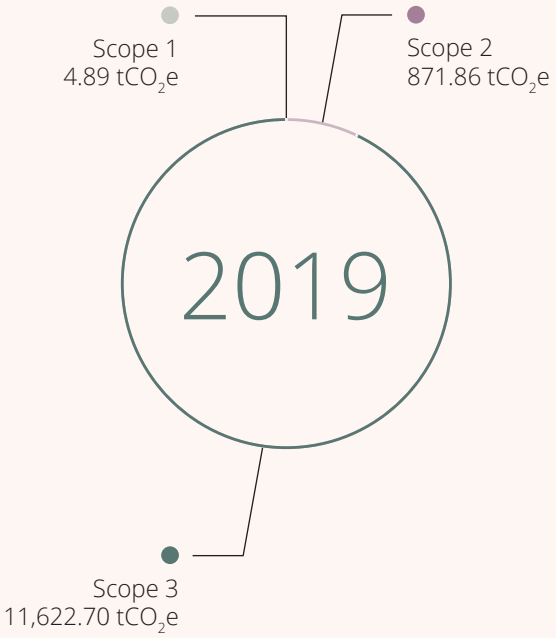
	2019	2020		2021		2022	
Intensity			% change		% change		% change
kWh/m²	273	165	-39.50%	170	-37.62%	260	-4.55%
tCO_2e/m^2	0.0593	0.0327	-44.85%	0.0317	-46.59%	0.0480	-18.96%
kWh/FTE	2,826	1,655	-41.43%	1,723	-39.04%	2,571	-9.03%
tCO_2e/FTE	8.81	5.68	-35.51%	7.31	-16.98%	9.17	4.08%

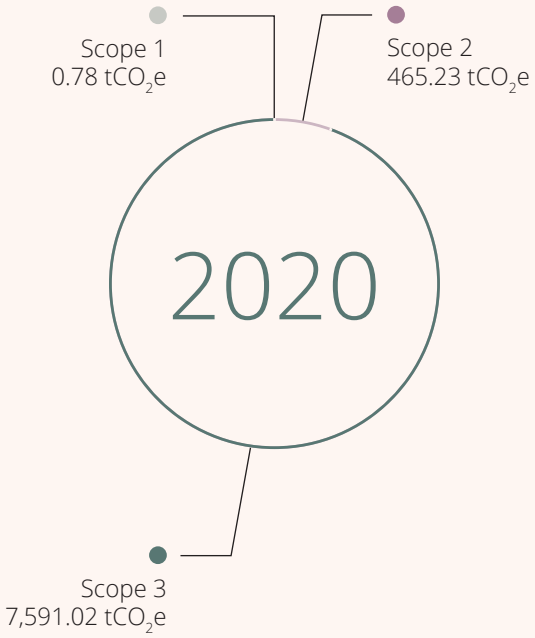
Annual cabon footprint

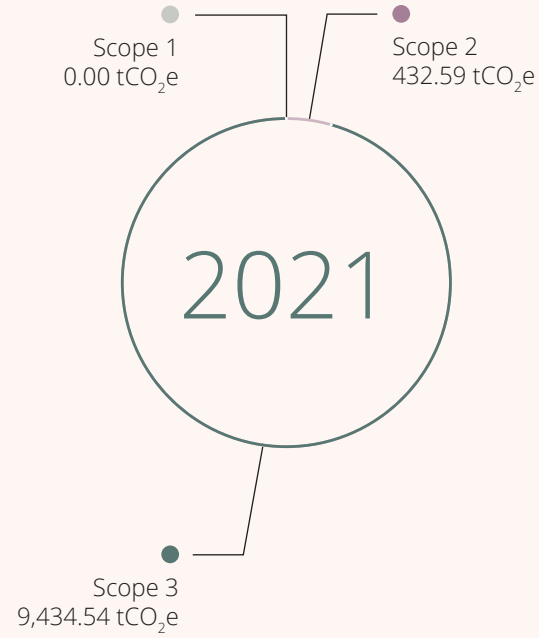


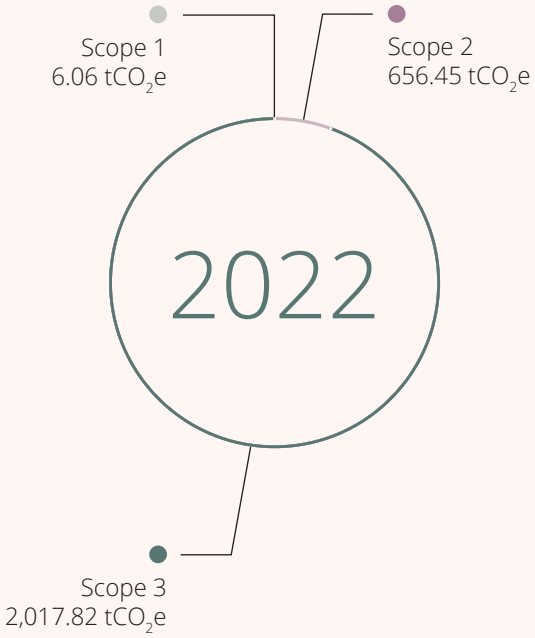
GHG Emissions	2019 tCO_2e Baseline	2020 tCO_2e	2021 tCO_2e	2022 tCO_2e	Change from 2019 baseline
Scope 1 and 2	876.75	466.01	432.59	662.50	-24.44%
Scope 3	11,622.70	7,591.02	9,434.54	12,017.49	3.40%

Avison Young U.K.'s carbon footprint

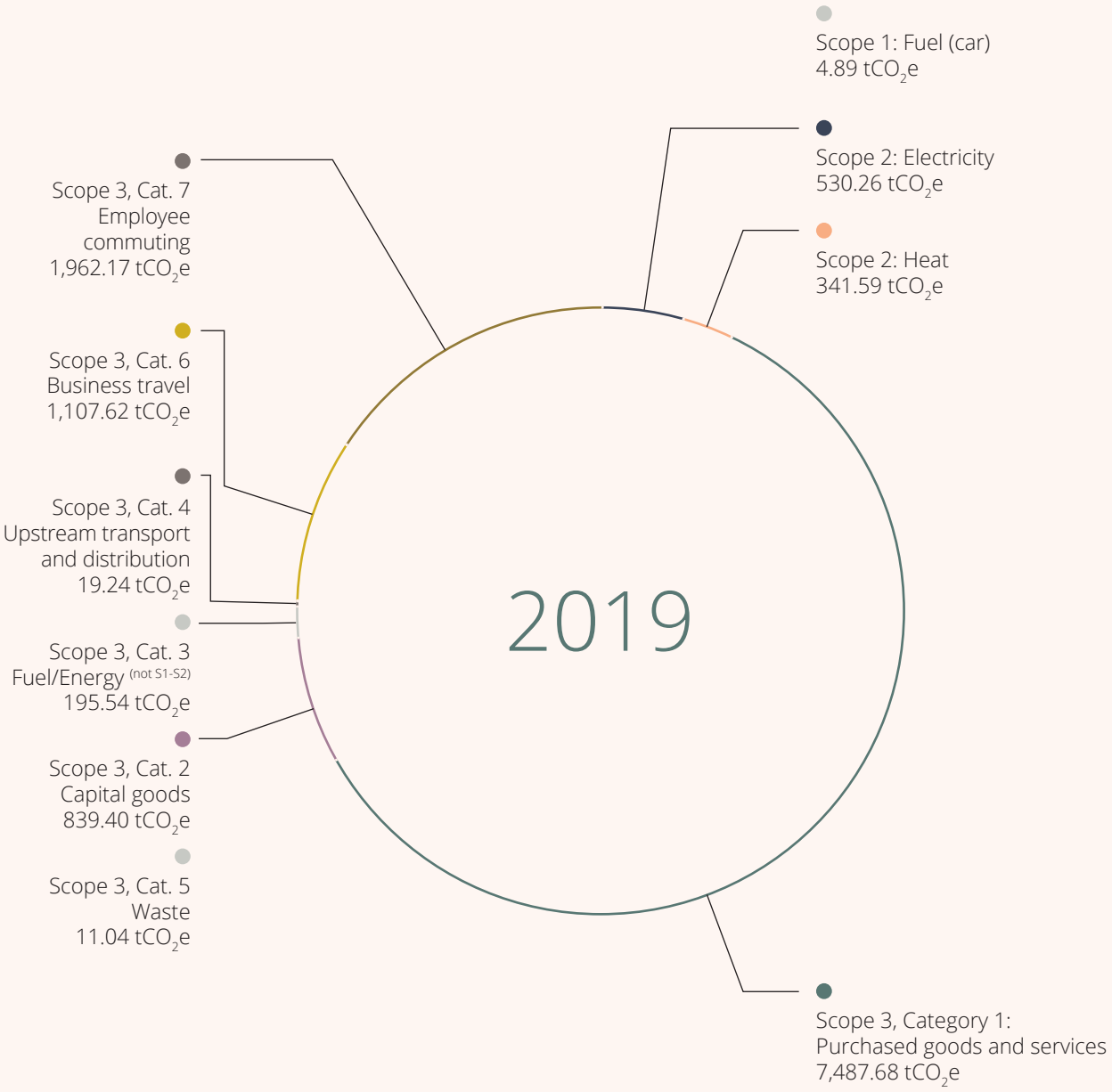








2019 Carbon emissions (baseline)



Energy and carbon analysis

Total emissions

- As our data collection and analysis has improved or actual data has been located, we have revisited previous data to improve estimation and extrapolation calculations to provide greater confidence within the data.
- There has been an increase in energy consumed in 2022 compared to 2021, as was expected, as the country continued to recover from the Coronavirus pandemic. Electricity consumption in 2022 was higher than the 2019 baseline and the gas lower. Most employees worked remotely from home for a significant portion of 2021, and this reduced energy and associated demands on the Company's office portfolio. Homeworking continued in 2022 with an associated reduction in energy demand when compared to 2019, but higher than 2020/2021 because of staff returning to the office.
- We are already delivering meaningful action to cut our global carbon footprint. Between 2019 and 2022, we reduced our Scope 1 and 2 greenhouse gas emissions by 24.33% – This reduction was due to 2 factors. The carbon intensity of the electricity supply has reduced as the generators switched from coal and installed more renewable generation. There has been changes to our office portfolio where offices have relocated to a smaller footprint, more efficient space or fully electrified sites.
- It is anticipated that energy and carbon emissions will continue to increase throughout 2023 as staff continue to return to the office, increase the amount they commute and undertake business travel, though this is not expected to be to pre-pandemic levels and will begin to plateau as more efficient office space is taken up and efficiency initiatives rolled out.

Avison Young U.K.'s carbon footprint

Scope 1

- We have minimal Scope 1 emissions. As an occupier/tenant we have no direct operational or financial control of the gas (or other fossil fuels) used at our sites. However, we do have limited control of the heat that it produces, which is reported under Scope 2.
- Scope 1 emissions have increased for 2022 because of refrigerant fugitive emissions from a leaking air conditioning unit.
- We have responsibility for a small number or air conditioning units that contain refrigerants and have had fugitive emissions adding to our carbon footprint in 2022 as the result of a leak. As we have moved to cloud-based data storage, the need for cooling requirements beyond what the landlord provides, will be minimal to none, therefore reducing the potential for fugitive emissions.
- We have no fleet vehicles. The return of our three fleet vehicles in 2020 means that we have had no carbon emissions from controlled vehicles since mid-2020.

Scope 2

- We have two sources of carbon emissions within Scope 2; purchased electricity and heat which are both provided via our landlords. We have limited control of these within our occupied spaces.
- The main area of control is where we can fit-out our office spaces to high standards of sustainability such as in accordance with BREEAM and other environmental assessment methodologies. We are developing an occupancy and fit-out standard to provide specific details of how we select new energy efficient office space and fit it out where can reduce the need for energy with the specification of efficient technology.
- As a tenant occupier the Company has no direct control of the gas at the sites occupied but do have limited localised control of heat at some sites. Heat provided for heating and hot water provided via the landlord is reported as purchased heat under Scope 2.

Avison Young U.K.'s carbon footprint

Scope 3

- Over the past two years the Company has been undertaking an exercise to determine its Scope 3 emissions beyond business travel, waste and water. This is now complete for each year from 2019 to 2022. As expected, 90%+ of the Company emissions are located within this scope with the most significant contributing categories being purchased goods, capital goods, business travel and employee commuting.
- As for the majority of organisations, Scope 3 is where most (90%+) of our carbon emissions are located. Capturing and reporting our Scope 3 emissions has been an ongoing task for the past two years, with 2022 being the first year of disclosing this data in such detail.
- We now have a much more granular picture of where these emissions are coming from and are now beginning to go down into the detail even further to identify what steps we can take to begin to make carbon savings.
- It is now clear that carbon emissions are located with four main areas of our Scope 3 emissions:
  - **Procured Goods and Services:** This is by far our largest emitter of carbon from areas such as purchased subcontractor services, purchased IT and software services, office leasing and laptop leasing.
  - **Employee Commuting:** These emissions have reduced over the past three years and not unexpectedly, significantly during the COVID pandemic in 2020/2021. Emissions have increased in 2022 but not near the 2019 baseline. This is likely as a result of the now excepted new flexible ways of working.
  - **Business Travel:** Similarly to commuting, these emissions have reduced over the past three years and with a significant reduction during 2020/2021. Again, these emissions have increased in 2022 and have nearly to the levels in 2019. We have seen reductions in all modes of transport with the exception of flights, specifically long haul flights, which has increased 30.2% over 2019.
  - **Capital Goods:** Similarly to purchased goods and services, there has been a reduction in emissions from capital goods, especially over the pandemic years. It has increased in 2022 but has not returned to 2019 levels. These emissions will fluctuate as it is affected via office alteration works and especially office fit-outs which includes the procurement of furniture, IT and AV equipment.

Avison Young U.K.'s carbon footprint

- Procured and Goods and Services is by far the largest single emitter of carbon. This category includes:

Purchased goods and services	Our progress
Water Supply – Supply of mains water	1.468
Laptop and Multi-Function Device (MFD) leasing – Leasing of staff laptops and office MFDs (printing, copying, etc)	66.09
Mobile leasing – Leasing of staff mobile phones	28.690
Softphone leasing – Leasing of software installed on a device that enables phone calls over the internet	34.91
Catering – Contract for the provision of catering to Company offices and hospitality	51.82
Office leasing – Leasing of U.K. office portfolio	405.37
Purchased IT services – Purchase of software licences and IT support	1,395.34
Purchased Software development – Purchase of software development services	75.72
Purchased subcontracted services – Services required for corporate and client operations that are not available within house.	7,260.67
Stationery goods – Office stationery supplies	7.75

- Emissions from purchased goods and services is higher than expected against 2020 and 2021 but is additionally higher than the 2019 baseline. This is due to a 26.3% increase of purchased subcontracted services.
- Capital goods emissions are lower across all years since 2019. Capital goods is largely impacted by office alterations and purchases of IT hardware and furniture. No significant alterations or purchases were made over 2020-2022

- Business travel has increased on 2021, again as the country recovers from the pandemic, and is near to 2019 levels. There is a noticeable increase (397%) in long haul premium economy flights over the 2019 baseline. The Company has also included the 'Well to Tank' emissions for business travel as is required for our commitment to Science Based Target reporting. 'Well to Tank' emissions also apply to employee commuting and energy consumption.
- Emissions from employee commuting has increased as expected compared to the pandemic years of 2020 and 2021 and remains significantly (52.7%) below the 2019 baseline year. It is anticipated that this will increase through 2023 as staff continue to return to the office but is not expected to return to pre pandemic levels.
- Avison Young will continue to collect Scope 1, 2 and 3 emission data from across the Company's occupied estate, using improved procedures and systems, and will regularly revisit historic data up to 2019 to make amendments as data collection and accuracy improves. The Company has a much greater view of its assets' performance that will help it make corporate real estate and operational decisions regarding energy efficiency, office acquisitions, refurbishments and fit-outs, business travel and commuting, and procurement of goods and services.

Offset

- Avison Young has historically offset its carbon emissions via tree planting with the Woodland Trust. The carbon offsetting only covered Scopes 1 and 2 with water (Purchased goods and services), business travel and waste from Scope 3. We were careful not to claim these offset emissions as part of our for net zero pathway.
- From 2023, Avison Young has decided to diversify how it offsets and is currently undertaking research where best this should be. It is a requirement that the selected schemes meet one of the approved standards (e.g. Gold Standard) as in accordance with the U.K. Green Building Council - Advancing Net Zero guidance. At present our offsetting cover Scopes 1 and 2 and a limited element of Scope 3.

Avison Young U.K.'s carbon footprint

Data verification

- Our verification methods include data reviews by our in-house ESG team, subject matter experts, second line functional reviews as well as third party, independent verification.
- We will be submitting our data to the Science Based Targets initiative (SBTi) in 2023 to validate our baseline data and confirm our targets are in line with the science.
- We are also seeking third party to provide independent, external data verification for our organisational carbon footprint (Scopes 1,2 and 3) to the following standards:
  - GHG (Greenhouse Gas) Protocol
  - ISO 14064-1 – quantification and reporting of greenhouse gas emissions and removals.

The basis of our reporting

- In this section we outline the approach and scope used for data collection and forms the basis for validation of our sustainability performance data.
- We report our 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 our framework for calculations and disclosure. We use carbon conversion factors published by the U.K.'s Department for Business, Energy, and Industrial Strategy ("BEIS") for the appropriate reporting years. This includes all activities where we have operational control. Scope 2 market-based emissions have been calculated in accordance with the GHG Protocol Scope 2 Guidance for grid electricity. We have now expanded our reporting to include Scope 3 covering categories: 1 Purchased Goods and Services; 2 Capital Goods; 3 Fuel and Energy not in Scopes 1 and 2; 4 Upstream Transport and Distribution; 5 Waste; 6 Business Travel; and 7 Employee Commuting.
- Scope of our reporting: The indicators included cover our activities during the period of 1 January to 31 December 2022. Reporting covers our U.K. operations.
- Total (100%) Scope 1 (direct) GHG emissions from activities operated by Avison Young or otherwise within AY's operational control boundary reported GHG emissions include CO_2e.

Avison Young U.K.'s carbon footprint

Reporting standards

– Emissions have been reported and recorded in accordance with the published reporting standard for the GHG Reporting Protocol corporate standard and the appropriate Government emission conversion factors for greenhouse gas company reporting. 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.

GHG Inventory

– We report our 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 our framework for calculations and disclosure. We use carbon conversion factors published by the U.K.'s Department for Business, Energy, and Industrial Strategy ("BEIS") in July 2022. This includes all activities where we have operational control. Scope 2 market-based emissions have been calculated in accordance with the GHG Protocol Scope 2 Guidance for grid electricity. For 2019 and 2020, Scope 3 emissions given for our third-party transport and water use emissions only.

The basis of our reporting

Assumptions and estimations

- We do not have direct control of gas at our offices. This is a landlord responsibility, and we are provided with heat for heating and hot water and is therefore reported under Scope 2 purchased on-site heat.
- There are a small number of refrigerant containing items that are the responsibility of the company and carbon emissions from leaks are reported using the F-gas register and maintenance records
- The company no longer has any pool or company cars, these were handed back during 2020.
- Where gaps are present in the utilities data, these are filled using an estimation or extrapolation. Estimations are made where there is no data, and is calculated based on a similar size and type of asset or use of benchmarks available from CIBSE Guide F or the Better Buildings Partnership Real Estate Efficiency Benchmarks (BBP REEB).
- Electricity data is provided via Automatic Meter Reading (AMR) and Landlord readings/calculation.
- Heat and Water data is provided from Landlord readings/calculation.
- Waste data is provided from landlord calculations or where a periodic weight check is made by the inhouse FM team
- Travel data is provided via the travel booking system and finance mileage claim records
- Headcount data is provided by HR
- Where carbon is calculated based on spend, for example purchased good and services, annual spend is provided by our finance department.
- Employee commuting was calculated based on home postcode, assigned office and small sample staff survey.

Appendix

2022 Impact Report

AVISON YOUNG