

# Shaftesbury Sustainability and Net Zero Carbon Commitment



Shaftesbury

NOVEMBER 2021



WELCOME TO

CARNABY

CARNABY STREET

CARNABY STREET W1  
THE RESTAURANT

Net zero carbon  
business by 2030



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# Sustainability focus areas

**Sustainable building re-use**



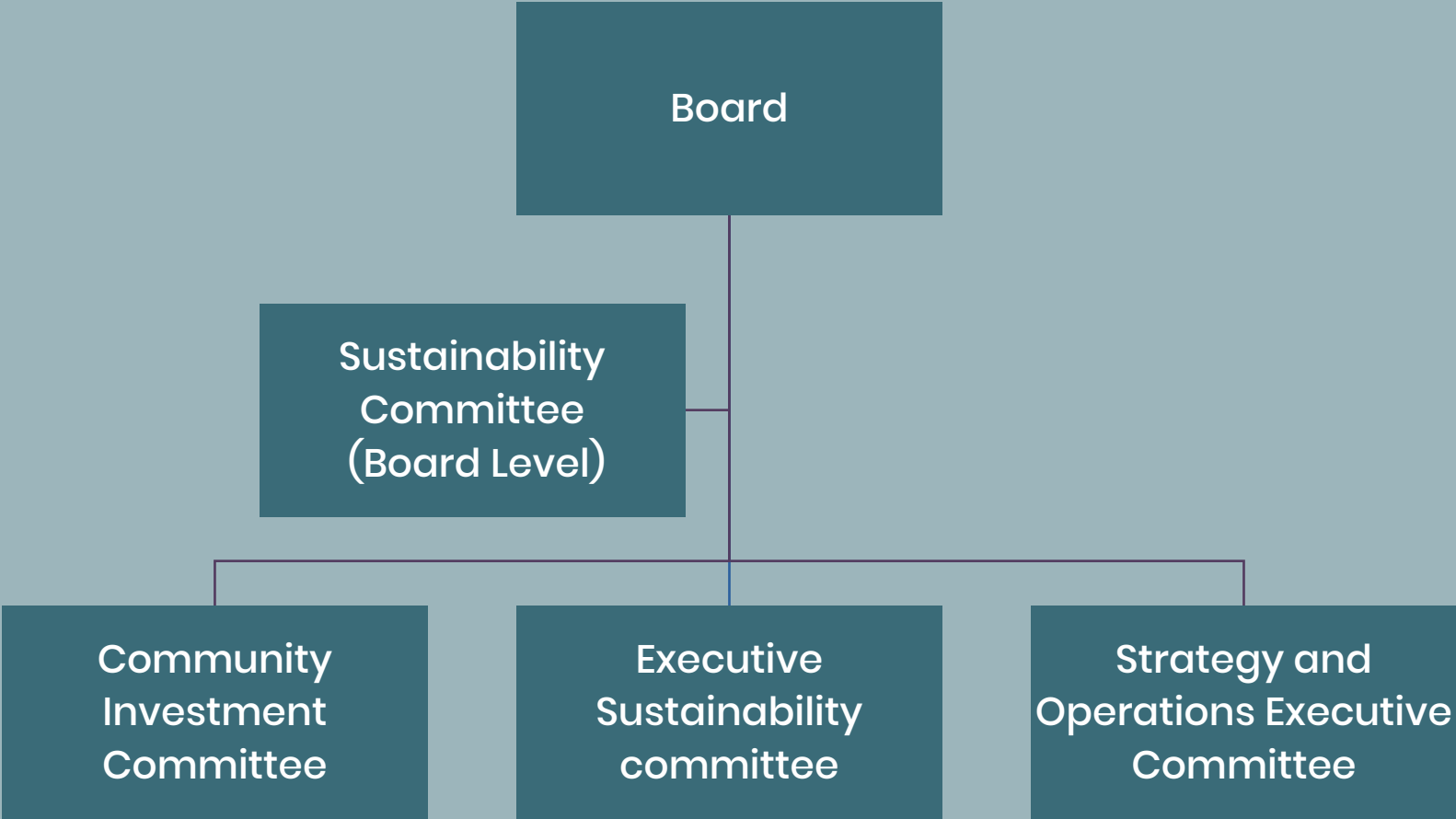
**Supporting our community**



**Influence, motivate and collaborate**



# Sustainability governance



Our commitment will be reinforced across the business, including being factored into the remuneration of the senior leadership team



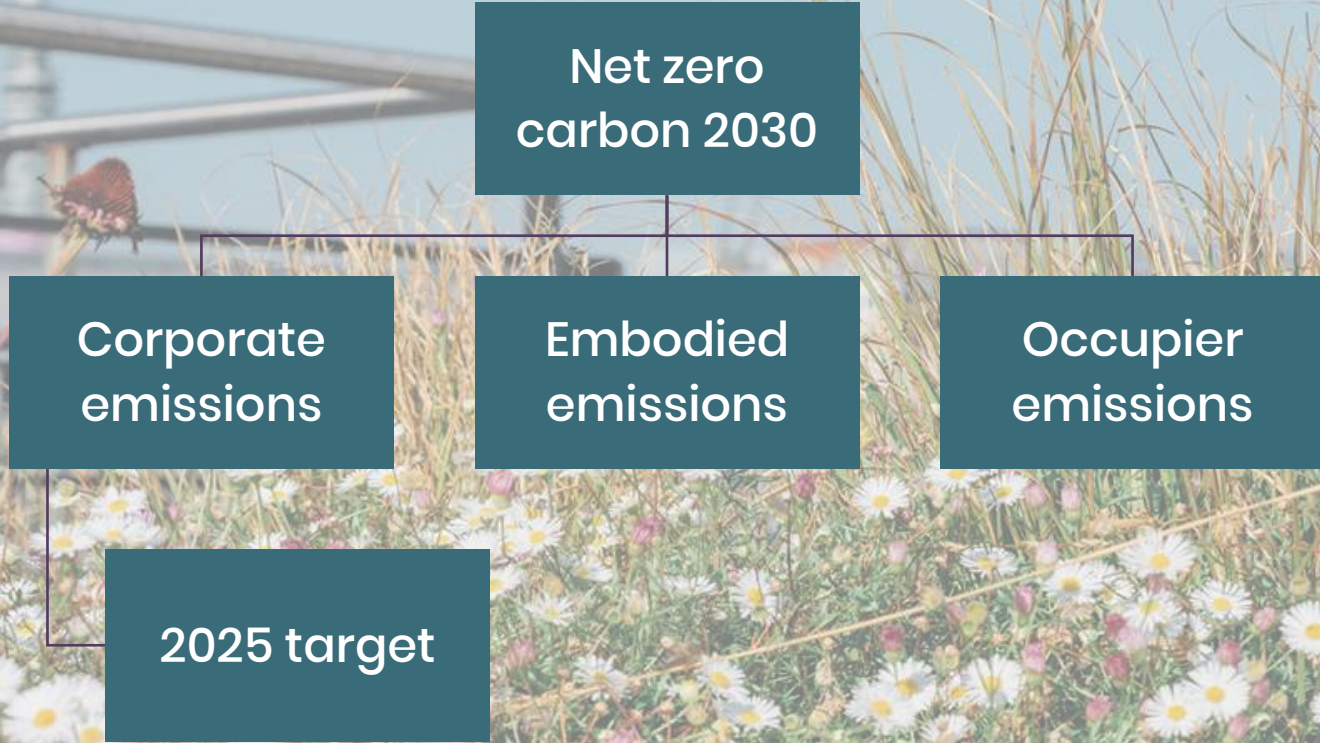
WE SUPPORT



External Guidelines



# Net zero carbon commitment overview



We have set a science-based target, **aligned with a 1.5°C or better scenario**, to reduce our absolute Scope 1, 2 & 3 emissions by 50% by 2030, from our 2018 baseline.



# Sustainability focus areas

**Sustainable building re-use**



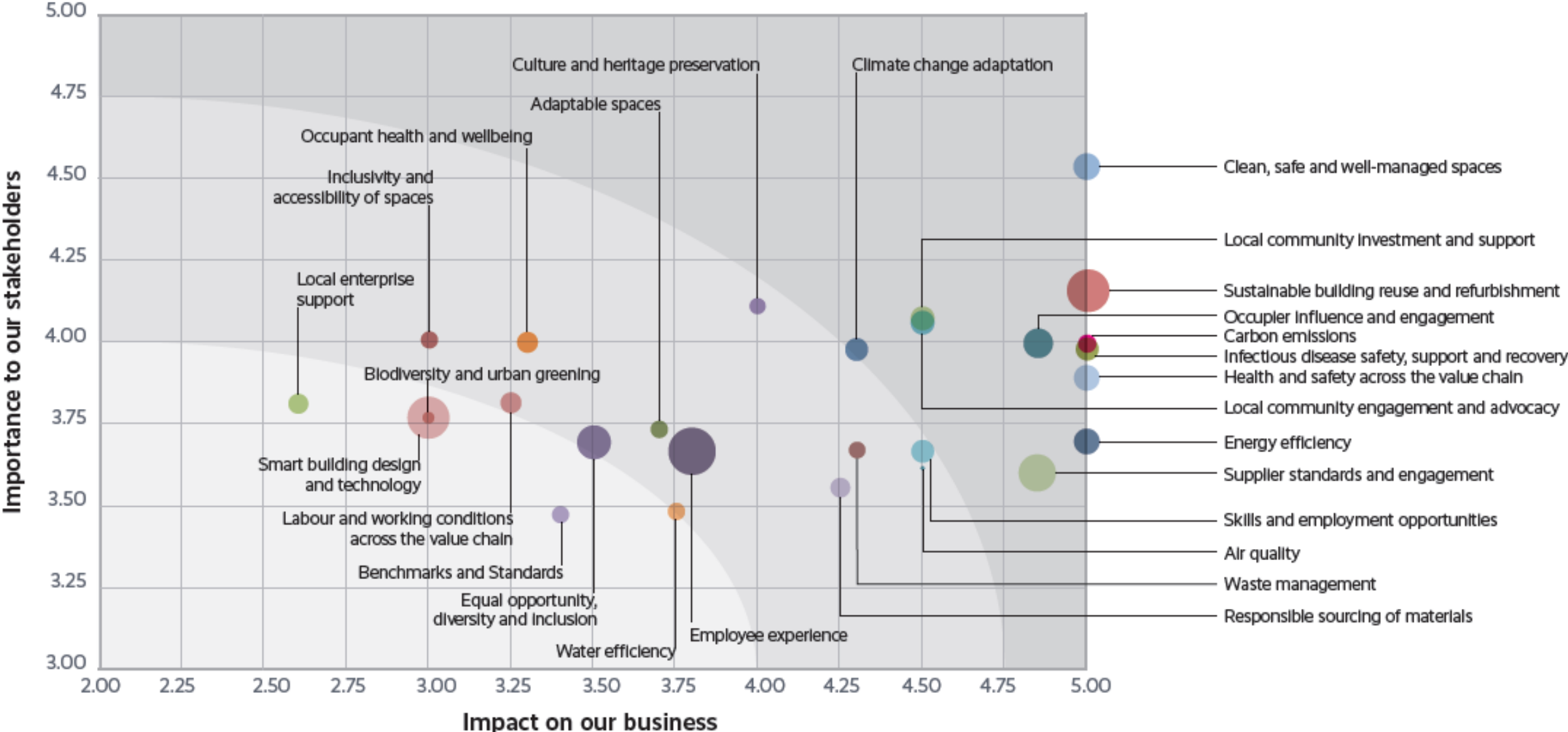
**Supporting our community**



**Influence, motivate and collaborate**



# Understanding our stakeholders





# Sustainability focus: buildings



**Sustainable building re-use**

**Supporting our community**

**Influence, motivate and collaborate**

**Circular economy**

**Adaptability & resilience**

**Net Zero carbon 2030**





# Our commitment to net zero carbon and how we get there...

M E N U



Roadmap includes:

Commitment

Baseline

Scope

Actions

Governance

Shaftesbury

NOVEMBER 2021





# Baseline

Our 2018 carbon emissions baseline is estimated at 30k tonnes CO<sub>2</sub>e

## Scope 1 emissions

Direct emissions from operations that are owned or controlled by us, such as gas used for heating our own corporate office

1%

## Scope 2 emissions

Indirect emissions from our consumption of purchased energy

3%

## Scope 3 emissions

Indirect emissions (not included in Scope 2) that occur in our value chain but are not controlled by us

96%

Purchased goods and services such as the materials and construction operations for our refurbishment projects

74.5%

Downstream leased assets, such as the emissions from the occupiers' energy use in our buildings

24%

Other, including business travel, waste and water

1.5%





# Our commitment

Reducing our own emissions will always take priority over carbon offsetting

**1 Operational carbon emissions**



**2 Embodied carbon emissions**

**3 Increase quantity of renewable energy generated onsite**



**4 Offset any remaining carbon emissions**



# Key Actions:

## Operational emissions

### Current

- Annual targets in line with 1.5 degrees
- Refurbishment cycle
- Minimum EPC targets

### 2022

- Supplier carbon targets
- Occupier guidelines and support
- Set energy use intensities

### 2025

- Smart meters and data
- Supply chain SBTs





# Key Actions:

## Embodied emissions

### Current

- Refurbishment first strategy
- Embodied carbon data collection
- Timber re-use

### 2022

- Whole life carbon reviews
- Embodied carbon targets
- End of life timber treatment

### 2025

- Bespoke embodied carbon targets
- Occupier fit out targets
- Explore shadow price of carbon





# Key Actions:

## Renewable energy

### Current

Landlord supplies on renewable tariff  
Installations of renewables

### 2022

Occupier renewable energy  
procurement review  
Assess PPA opportunity

### 2025

Increase occupiers on  
renewable tariffs  
Portfolio renewables review





# Sustainability focus: community



**Sustainable**  
building re-use

**Supporting** our  
community

**Influence, motivate**  
and **collaborate**

Young people and local  
communities

Inequality and diversity

Health & Wellbeing





# Sustainability focus: collaborate

**Sustainable**  
building re-use

**Supporting** our  
community

**Influence, motivate**  
and **collaborate**

Inform and promote

Share best practice

Consolidate services





# NZC costs not expected to be material in context of portfolio value

## Energy efficient refurb

- 10% annual portfolio refurb
- Annual capex spend circa. £35m includes existing spend on energy improvements
- Total portfolio value £3bn
- Costs not expected to be material in the context of portfolio value
- Tenant engagement investment
- Technology changes over next decade
- Much greater cost of not taking action
- Reduces offset costs

## Low embodied carbon

- Cost benefit of reduced material use
- Post 2030 limited work still required
- Continues focus on refurbishment
- Reduces off set costs

## Carbon offsetting

- 2025 target to help understand costs
- Modelled on conservative cost of carbon (£95t CO<sub>2</sub>) would be c.£1.4m based on 50% carbon reduction





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size?

size





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Any questions?