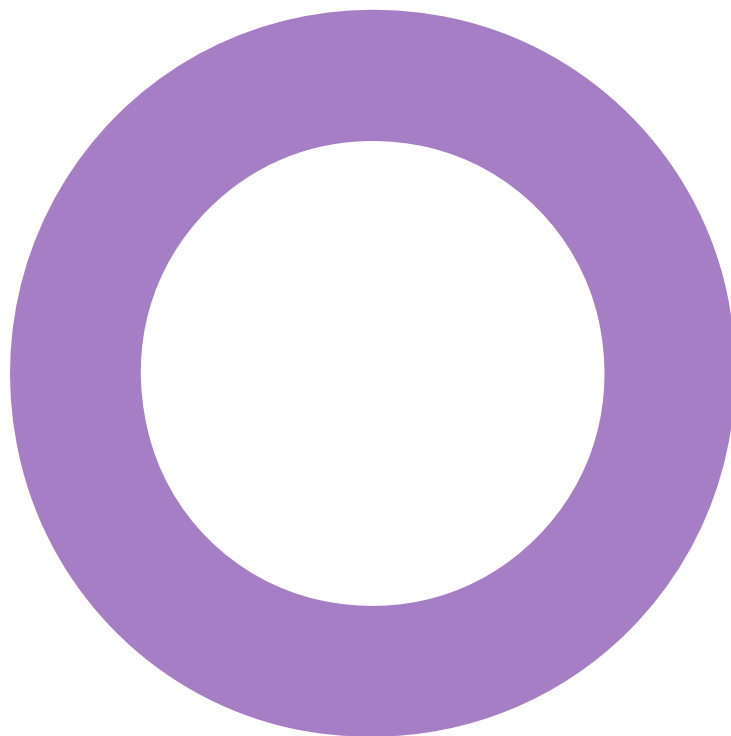


Net Zero Carbon Building Strategy. Annual Report. Summary Report -Financial year 2024-25.

SUSTAINABILITY
NET ZERO CARBON

REVISION 00 – 12 MARCH 2026



Audit sheet.

Rev.	Date	Description of change / purpose of issue	Prepared	Reviewed	Authorised
00	12/03/2026	Final summary report for publication	J.Parr	M. Wormald	A.Bateson

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Project number: Report 2024-25
Document reference: REP-Hoare Lea- NZC Building Report FY24-25-Rev 00.docx

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Executive summary.

This report describes Hoare Lea’s net zero carbon building strategy and assessment for the financial period 2024-25 (FY24-25). In accordance with industry best practice, our assessment follows the methodology of the UKGBC Zero Carbon Building Framework Definition.

The assessment describes our approach to evaluating, reducing and offsetting carbon emissions arising from building energy use, including fugitive emissions (refrigerant gas leakage). It provides an update on the work we’ve undertaken to reduce our building energy use since we published in our strategy reports for FY21-22, FY22-23, and FY23-24.

The carbon emissions for the financial reporting period covered by this report (1st Oct 2024- 30th Sept 2025) and our previous report (1st Oct 2023- 30th Sept 2024) are summarised below.

Table 1: Total building carbon emissions for this reporting period (2024-25)

Report	Assessment period	Building carbon emissions for the assessment period (Including F-gas emissions)	Transition fund requirement
Previous report	1 st Oct 2023- 30 th Sept 2024 (Our accounting period for 2023-24)	293 tCO ₂ e	£27,900 at a carbon price of £95/ tCO ₂ e
This report	1 st Oct 2024- 30 th Sept 2025 (Our accounting period for 2024-25)	220 tCO ₂ e	£20,900 at a carbon price of £95/ tCO ₂ e

Our commitment.

Hoare Lea is a signatory of the World Green Building Council Net Zero Buildings Commitment. This report fulfils our obligation to assess building carbon emissions, describe our approach to reducing energy use and our method for offsetting residual emissions.

Hoare Lea is also a signatory of the Building Services Engineers Declaration of the Climate and Biodiversity Emergency. As such, we are committed to reducing our environmental impact and targeting net zero carbon emissions.

Our baseline emissions.

The Hoare Lea offices covered by the assessment are:

- Birmingham
- Bournemouth
- Bristol
- Cambridge
- Cardiff
- Glasgow
- Leeds
- London
- Manchester
- Oxford
- Plymouth
- Reading

The building emissions were assessed using building energy consumption data and assumed fugitive emissions for heating and cooling plant (arising from refrigerant leakage). We have excluded carbon emissions from small, serviced offices with less than 10 employees (Exeter and Edinburgh) which have lower impact.

Governance.

Central to our net zero strategy, developing appropriate governance structures are critical to achieving robust, permanent and managed emissions reduction. Our governance strategy has and will continue to involve increasing engagement, creating responsibility and embedding net zero in our current practices. This is overseen by our Net Zero Working Group, led by Ashley Bateson, Head of Sustainability.

Reducing energy demand.

To help manage our energy reductions, each office has an Environmental Management Champion (EMC) and Carbon Management Team, assigned to review energy management and consider energy saving measures. During the period FY24-25:

- The Birmingham office relocated to a smaller, fully electric and improved efficiency location which significantly reduced the associated energy consumption.

Dealing with residual emissions.

We are taking a leadership approach to offsetting our residual emissions by establishing a net zero transition fund. In addition, we procure high-quality renewable electricity supplies to replace our current direct supplies of electricity, when lease agreements allow.

Offsetting.

Our approach to offsetting residual carbon emissions entails establishing a transition fund with a price for carbon set at £95/ tCO₂e, i.e. £20,900 based on the need to offset 220 tCO₂e. This pays for international carbon credits through investment in afforestation, at £30.66/tonne and a total cost of £6,745.2, leaving the remainder of the transition fund (£20,000) to be used for a UK community-based carbon reduction project.

Detail regarding the Gold Standard international offsets is to be provided upon completion of the BRE verification process for this report.

We are offsetting through the Planting Biodiverse Forests Programme in Panama, an afforestation project in Central America. This is a nature-based solution that absorbs carbon emissions through tree growth and provides social value and work creation for local communities. The offset credits are purchased through the Gold Standard organisation. <https://www.goldstandard.org/>

Our UK community-based carbon reduction project for the previous reporting periods have been employee nominated projects. Previous projects have included supporting the decarbonisation of Redcatch Community Garden in Bristol and the installation of a solar PV array at Little Eaton Village Hall, Derby. For the current reporting period, FY24-25, money is pledged and a employee nominated community-based project will be chosen in due course.

Transparency and verification.

We consider transparency and disclosure vital tools for securing robust net zero claims. This report and its appendices have been audited by a third party to verify the approach and calculations used to determine our net zero balance. We have also taken the step of publishing a summary of this report on our website. This will ensure our work remains visible to our people and collaborators and demonstrates alignment with our values.

Strengthening our commitment.

Our net zero building declaration is not a one-off exercise; we must achieve significant reductions in our underlying emissions, continuously improving the energy performance of our offices and broadening the scope of our emissions boundary in the coming years. Our Sustainable Procurement Policy and dedicated Sustainability Manager will phase in our identification and reduction of Scope 3 emissions. We work across different scales, sectors and geographies. To understand the impact of our consultancy on the built environment and organisations, we are also aiming to collect data for measuring the energy performance of our completed projects.

1. Introduction.

Tackling climate change requires action. As consultancy specialising in the built environment, Hoare Lea understands the impact that buildings can have on our planet. As such, signing up for the World Green Building Council's (WorldGBC) Net Zero Buildings Commitment in 2020 was a natural step and one that we are already embarking on with determination and pride.

This report sets out how we meet our WorldGBC Net Zero Buildings Commitment for the period FY24-25, detailing our approach, methodology and supporting evidence. The financial period covered is 1st Oct 2024 - 30th Sept 2025 (FY24-25).

The report is structured to give our responses to four key questions:

- **Why net zero?**
We provide context for this report and the basis for our net zero commitment.
- **What are we trying to achieve?**
We set out our approach to realising a net zero future, with the key theme of our response to climate change informed by UK Green Building Council (UKGBC) and WorldGBC guidance.
- **What is our baseline and emissions boundary?**
We establish our boundary condition, emissions sources and baseline, followed by an analysis of the current energy performance of our offices and the wider energy landscape.
- **How we achieve net zero carbon?**
We explore the net zero emissions target and the three strands of our response: reducing energy demand, decarbonising energy sources and offsetting residual emissions.

Our answers provide the basis for our net zero claims and are further expanded upon in the appendices, where we also set out our position on offsetting in the built environment and our strategy for improving data collection.

1.1 Our role in a net zero future.

At least four-fifths of the global economy is now covered by net zero pledges despite the idea being relatively unheard of only a decade ago¹. These voluntary commitments are pushing more buildings to be net zero carbon. The International Energy Agency (IEA) estimates that operating buildings accounts for 30% of the global final energy consumption and contributes 26% of global energy-related carbon emissions².

We are at the forefront of the net zero transition: advocating for ambitious energy reduction targets, developing comprehensive net zero frameworks with industry partners, and committing ourselves to ambitious climate targets.

1.2 Our corporate responsibility strategy

We are a planet-conscious, human-centric consultancy. Our corporate responsibility strategy aligns with our sense of purpose; both in terms of how we operate as a business and how we add value to society³. Our approach to corporate responsibility recognises that we have an impact on the environment through our consultancy and operations.

1.3 World Green Building Council's Net Zero Carbon Buildings Commitment

In 2020, acting on our corporate responsibility strategy and our commitment to reduce our climate impact, we became signatory to the WorldGBC Net Zero Carbon Buildings Commitment⁴.

As our Managing Director, Justin Spencer, explained:

"Tackling the climate and biodiversity emergency requires action. As an engineering consultancy, we deeply understand the impact that the built environment can have on our planet. We are therefore a proud signatory of the WorldGBC's Net Zero Buildings Commitment."

1.4 Building Services Engineers Declaration of the Climate and Biodiversity Emergency

We are also proud to be one of the founding signatories and chair of the Building Services Engineers Declaration of the Climate and Biodiversity Emergency⁵. The initiative, backed by over 100 consultancies and engineering firms, calls for better knowledge sharing and awareness, elevating the role of sustainability in all our work and redrawing the criteria for success.

Our Head of Sustainability, Ashley Bateson, is the Declaration's steering group chair. By extending our influence within the industry and our advocacy role outside it, we can enable the construction sector to take centre stage in mitigating environmental harms and collaborate for a sustainable future.

¹ <https://eciu.net/analysis/reports/2021/taking-stock-assessment-net-zero-targets>

² <https://www.iea.org/energy-system/buildings>

³ <https://hoarelea.com/about-us/corporateresponsibility/>

⁴ <https://hoarelea.com/2020/09/21/our-net-zero-carbon-commitment/>

⁵ <https://www.buildingservicesengineersdeclare.com/>

2. What are we trying to achieve?

2.1 Defining net zero: WorldGBC commitment.

Launched in 2018, the Net Zero Carbon Buildings Commitment is a mechanism developed by the WorldGBC to encourage organisations, cities and states to demonstrate climate leadership⁶. We became a signatory in September 2020.

The five stages of our commitment include⁷:

1. **Commit:** Commit to only occupying assets that are net zero carbon in operation by 2030. We opted to occupy net zero buildings in 2021.
2. **Disclose:** Measure and disclose energy consumption and emissions data, made publicly available via the annual report.
3. **Act:** Develop a firm-wide carbon reduction strategy and action plan for all occupied assets. Identify and implement feasible energy saving and efficiency opportunities, and on-site renewable energy sources, and invest in off-site renewables or carbon offsets for the balance.
4. **Verify:** Verify emissions data annually via third-party verification.
5. **Advocate:** Continue to contribute to research and publications on net zero carbon. Increase commitment to share knowledge on net carbon with clients and other stakeholders, including as chair of the Building Services Engineers Climate Emergency Declaration initiative.

2.2 UKGBC Net zero framework and guidance.

Country specific Green Building Councils, such as the UKGBC, have in turn produced frameworks setting out how these ambitious net zero targets should be met. We have followed the UKGBC Net Zero Carbon Building Framework to make our own net zero claims.

Net Zero Carbon Buildings: A Framework Definition

The UKGBC sets out the following definition for operating net zero buildings⁸:

"When the amount of carbon emissions associated with the building's operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset."

Net zero carbon: energy performance targets for offices

The UKGBC has also published guidance on the levels of energy performance that offices, both new and existing, should target to achieve net zero⁹.

Renewable Energy Procurement & Carbon Offsetting

The UKGBC have also developed guidance on the procurement of renewable energy and how to robustly deal with residual emissions¹⁰. The key messages in the guidance are that the only zero carbon energy available for procurement is electricity supplied via 'high quality' green tariffs (defined in the guidance) and that the netting off of any residual emissions must be through the use of offset credits which meet a specific set of criteria which ensure their quality.

The guidance also establishes other important principles such as the use of a transition fund where organisations set an internal carbon price each year which is above the market cost of good quality offset credits. Part of the fund is to be used for the procurement of offsets equal to measured annual residual emissions with the remainder being spent on other activities which support the move to net zero.

2.3 Reporting on progress.

This is our fifth year of reporting our building emissions aligning it with the WorldGBC requirements. This report will be updated year on year to document annual progress on our net zero buildings commitment.

To help manage our energy reductions, each office has an Environmental Management Champion (EMC), assigned to review energy management and consider energy saving measures.

⁸ <https://www.worldgbc.org/thecommitment>

⁹ https://worldgbc.org/sites/default/files/Hoare%20Lea%20LLP%20Indesign%20Profile_Final.pdf

¹⁰ <https://www.ukgbc.org/ukgbc-work/net-zero-carbon-buildings-a-framework-definition/>

⁹ <https://www.ukgbc.org/ukgbc-work/net-zero-carbon-energy-performance-targets-for-offices/>

¹⁰ <https://www.ukgbc.org/ukgbc-work/renewable-energy-procurement-carbon-offsetting-guidance-for-net-zero-carbon-buildings/>

3. What is our baseline and emissions boundary?

Two important concepts when considering organisational carbon emissions are the boundary condition, (i.e. what operational emissions are to be reported) and the baseline against which progress can be measured. The boundary condition for this study was set out in the WorldGBC and UKGBC guidance documents and has been subsequently refined by our net zero working group and according to the availability of data.

3.1 Emissions scopes.

Greenhouse gas (GHG) emission sources are categorised into three scopes to ensure responsibility for emissions can be accurately allocated and so that emissions are not double counted across organisations, as encapsulated by Figure 1.

We have focused on Scope 1 and Scope 2 building energy emissions, as required by WorldGBC. We have also elected to include the Scope 1 emissions from refrigerants (as required by the UKGBC net zero framework definition).

Direct:

Scope 1: Emissions resulting from activities under the direct control of your organisation, such as gas boiler emissions, fleet vehicle emissions and on-site refrigerant leakage.

Indirect:

Scope 2: Emissions arising from energy purchased by your organisation for its operations, such as power or district heating

Secondary indirect:

Scope 3: Emissions arising from associated activities not directly controlled by your organisation, such as leased assets, procurement of equipment, employee commuting, water use, and waste management.

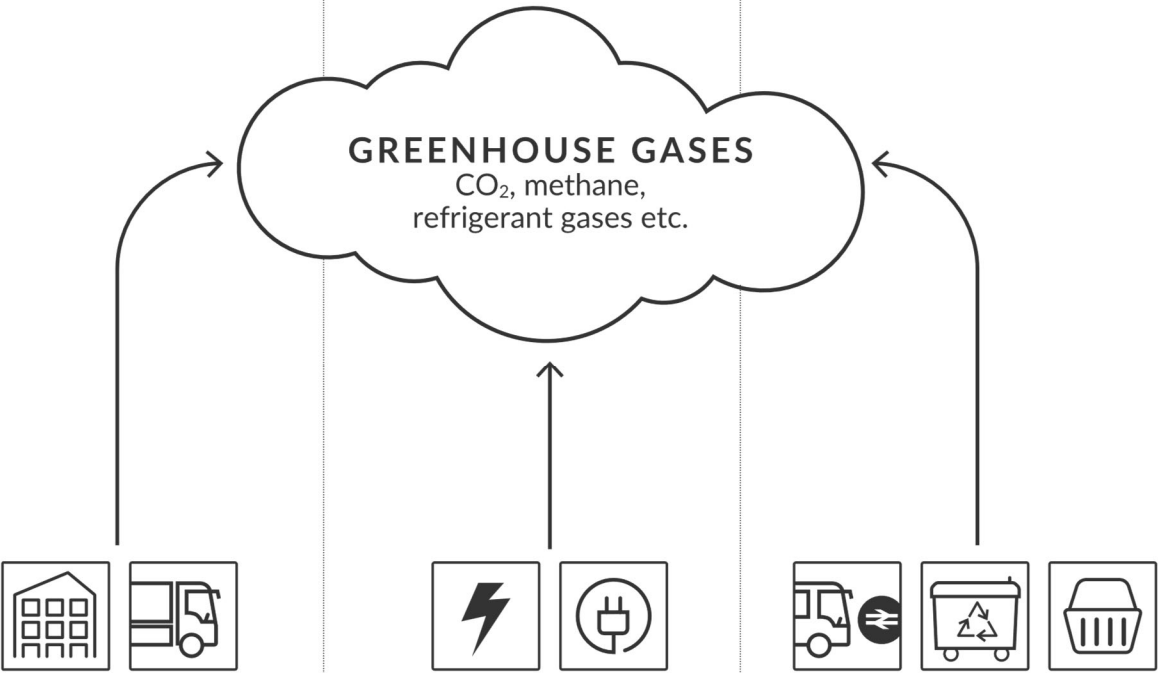


Figure 1: Diagram emissions scopes and responsibilities. Alongside the three scopes, some emissions are required to be reported as out of scope. No out-of-scope emissions are considered relevant to Hoare Lea.

3.2 Operational control.

As well as emissions sources, the organisational boundary should also be defined in terms of the assets and activities to be included. We have applied the operational control approach as defined by the HM Government Environmental Reporting Guidelines (which are in turn based on the World Resource Institute Greenhouse Gas Protocol) which set out the best practice approach to reporting. This control approach effectively says that if you have operational control of the emissions sources, it is reasonable that you should be responsible for those emissions.

3.3 Boundary.

The emissions sources included within the boundary condition are summarised in Table 2:

Table 2: Emissions sources by boundary.

	Included in boundary	Excluded from the boundary as outside of WorldGBC scope
Building Related Scope 1	a) Fossil fuels used in buildings (i.e. natural gas) b) Fugitive emissions (arising from refrigerant gas leakage)	• Fossil fuel used in equipment (such as external maintenance equipment) • Fossil fuels used in fleet vehicles
Building Related Scope 2	a) Purchased electricity b) Purchased district/ communal heating and cooling	• Offsite electricity charging for fleet vehicles • Other offsite purchased energy

Data.

For our offices, we have calculated building related Scope 1 and 2 emissions using data collected over the period of 1st October 2024 to 30th September 2025. The data has been collated by each offices nominated Environmental Management Champion who are responsible for inputting the data into a central platform.¹¹

Assumptions made during the data collation, cleaning, and analysis processes can be viewed within Appendix A: Reporting, metering and assumptions.

Fugitive (or F-gas) emissions arise from the leakage of refrigerant gases that have a global warming potential. Actual refrigerant leakage rates are not known for our offices. We have estimated fugitive emissions based on equipment nameplate ratings for refrigerant type and charge, with annual average leakage rates, assumed according to the system types detailed in CIBSE TM65 Table 4.4.¹²

¹¹ Environmental Management Champions have a role within our Integrated Management System (IMS) to collect energy and environmental data.

¹² <https://www.cibse.org/knowledge/knowledge-items/detail?id=a0q3Y00000IPZOhQAP>

3.4 Carbon emissions for FY24-25.

Our building related emissions assessed for 1st October 2024 to 30th September 2025 (FY24-25) are shown in Table 3 and Figure 2.

Table 3: FY24-25 carbon emissions breakdown.

Emission source	Input Data	Emissions tCO ₂ e [previous FY]	% of baseline	Notes
Building related Scope 1				
Mains gas	Energy, kWh	46 [70]	21%	Combination of metered and unmetered data
Fugitive emissions	Mass of refrigerant, kg	31 [31]	14%	Estimated, based on CIBSE benchmarks and installed plant
Scope 1 totals		77 [101]	35%	
Building related Scope 2				
Grid electricity (Location based)	Energy, kWh	133 [182]	60%	Combination of metered and unmetered data
Heat	Energy, kWh	10 [10]	5%	London and Plymouth offices
Scope 2 totals		143 [192]	65%	
Building related Scope 1 and 2 total		220 [293]		

The total building emissions are 220 tCO₂e. Of this, 60% comes from electricity use, 21% from natural gas use, 5% from district heating and 14% from F-gas (refrigerant) emissions. Our building emissions have reduced considerably this year (from 293 tCO₂e) primarily due to:

- The reflection of the UK grid decarbonisation progress within the 2025 SECR carbon factors and
- A considerable reduction in gas consumption and associated emissions was also achieved due to the relocation of the Birmingham office to a smaller fully electric high-efficiency office space.
- The Bristol office downsized resulting in reduced gas and electricity consumption and associated emissions.

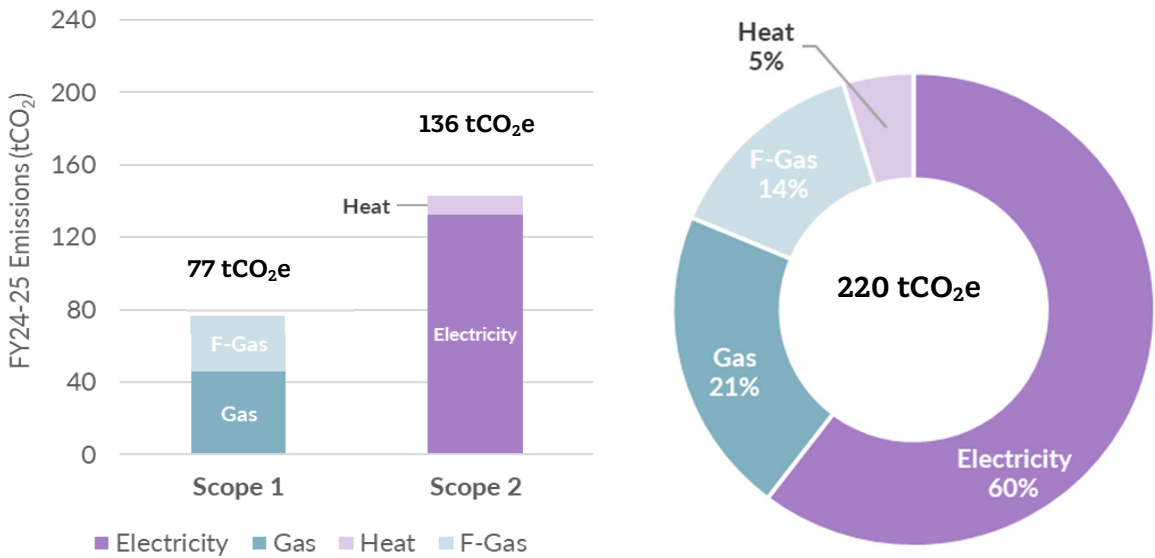


Figure 2: Scope 1 and scope 2 carbon emissions breakdown (tonnes CO₂e) for FY24-25.

3.5 Metering and reporting.

Underpinning all our work on net zero is the need to ensure that how we report our impacts and progress toward reducing them aligns as closely as possible with best practice guidance (as defined by the HM Government Environmental Reporting Guidelines and the GHG Protocol).

To enable improved data capture and quality, we intend to survey our existing electricity, gas and heat meters to better understand the arrangements and data quality. The intention is to engage a specialist firm to undertake automatic meter reading (AMR) upgrades to allow for enhanced data granularity and visibility.

In 2024, an Energy Savings Opportunity Scheme (ESOS) report was produced for our offices which resulted in the identification of a number of opportunities relating to energy data measurement and monitoring. These included AMR installations (as noted above), heat meter installations/validations/repairs of existing, and discussions with landlords to receive more detailed consumption data. The intention is to continually review these opportunities in consultation with the landlords of our portfolio, and progress as appropriate.

4. How we achieve net zero carbon.

4.1 Office operational energy intensity.

For our offices, we have defined an upper energy use intensity limit according to UKGBC guidance and a number of our buildings are failing to meet the UKGBC energy use intensity targets. To ensure continuous improvement, the UKGBC also tighten energy use intensity requirements over time, as shown by Table 4, whilst concurrently requiring fossil fuels to be phased out. Table 4 shows the UKGBC target energy use intensity against our current office energy use intensity (EUI). Also included is the energy intensity percentage change comparison to the previous reporting period.

We have a mix of leases and tenancy across our office portfolio, and this is reflected in the EUI target detailed in table 4.

The overall EUI for the offices during FY 24-25 shows a slight increase from the previous reporting period. The main changes are as follows:

- The Birmingham office EUI reduced by 61% as a result of moving to a new, fully electric and high efficiency office space.
- The Bristol office EUI increased by 44%. This occurred after approximately half of the office floor area was sublet to another company. Further investigation is required to ensure that only the energy consumption associated with this reduced area is included.
- The Cardiff office EUI increased by a notable 31% between FY23-24 and FY24-25 and it is unclear as to why. This will be investigated further to identify any potential reasoning and aim for reductions.

Table 4: Current office energy intensity against the NZCBS existing office limit for 2025 (NZCBS standard and the energy intensity from offices last year.

Office	Area (m ²)	UKGBC target EUI (kWh/m ² NIA/yr)	Office EUI FY 23-24 (kWh/m ² /year)	Office EUI FY 24-25 (kWh/m ² /year)	Change between reporting periods (%)
Birmingham*	370	70	267	105	-61%
Bournemouth	901	130	129	132	2%
Bristol*	994	130	177	255	44%
Cambridge	279	70	247	268	9%
Cardiff	568	130	98	129	31%
Glasgow	466	70	68	60	-12%
Leeds	339	70	119	115	-3%
London	2,044	70	131	98	-25%
Manchester	753	70	173	157	-9%
Oxford	279	130	151	108	-29%
Plymouth	511	70	124	107	-14%
Reading	341	70	110	122	10%
Total Office EUI	7,845*		150	136	9%

*Offices that moved have a weighted EUI calculation to account for the for the full year. The calculation is the total energy over an area which was weighted by the number of months that the office was operational throughout the year. The total office area reduced by approximately 12% due to the downsizing of the Bristol office and the relocation of the Birmingham office to a smaller space.

4.2 Comparison of energy intensity between annual reporting periods.

The changes in EUI compared to last year can be seen in table 4. Seven of the twelve offices report a reduction in EUI which is positive. Nonetheless, it is essential that annual reductions continue to ensure this remains the case going forwards, and high-consuming offices should be identified and targeted for reductions. Improving the quality and consistency of data provided by our third-party partners will be essential to ensuring robust and reliable reporting.

- Glasgow and Oxford achieve EUIs that meet the current UKGBC targets. However, in addition to the offices that do not meet the target, these offices will continue to be monitored to ensure continual improvement.
- Despite the reduction in offices meeting the UKGBC target, more offices reported an overall reduction in their EUI.
- Birmingham, Bristol, Cambridge, Leeds, Manchester, Plymouth and Reading have energy performance that exceed the UKGBC Framework EUI target. These offices shall require the greatest attention to ensure alignment with the limit over the next few years, however it should be noted that as tenants in building we have limited influence on significant changes. Therefore, as a business we will focus on local office projects and behavioural changes to reduce emissions where possible.
 - Note that the Bristol office downsized (taking only one floor in the building rather than both floors as was previously the case) and that this change to the area and associated consumption has likely led to the EUI increase. Further investigation will be required to ensure that only energy consumption associated with this reduced area has been included.

4.3 Reducing energy demand.

For any strategy, it is essential to focus on reducing demand whether that be energy or any other resource; only using what we need is a key cornerstone of good carbon management. It is the role of our newly appointed sustainability manager to continue to review opportunities to reduce EUI across our offices on an ongoing basis.

Table 5 sets out annual energy reduction targets for offices dependant on their current EUI. Offices that have a higher EUI should target a higher annual reduction to meet the UKGBC targets. For example, offices with an EUI above 130 kWh/m²/year have been set a target to reduce the EUI by 10%. Offices that have an EUI between 100-130 kWh/m²/year have a target to reduce the EUI by 5% and offices with a lower EUI are targeting 3% reduction.

Table 5: Office Energy Use Intensity reduction targets

FY24/25 Office EUI (kWh/m ² /year)	Target annual EUI reduction
>130 kWh/m ²	10%
100-130 kWh/m ²	5%
<100 kWh/m ²	3%

During the period FY24-25, there was limited tangible actions associated with the reduction of energy consumption across the offices. Nonetheless, through natural fluctuations in usage, 5 offices still reduced their consumption compared to the previous year. In 2024, an ESOS report was produced for our offices which resulted in the identification of ongoing energy reduction opportunities including:

- Lighting upgrades.
- Heating decarbonisation (replacing gas-fired plant with refrigerant-based systems).
- Upgrading old air conditioning units.
- Glazing upgrades.
- Controls enhancements (timeclock implementation, occupancy and daylight sensing, heating and cooling setpoint adjustments, automated blinds).
- Enhancing data visibility through various means as described in Section 3.5.
- Variable speed drives (VSDs) for fans and pumps.
- Renewable energy installations.

As previously reported, we have limited capability to directly influence F-gas emissions as these are controlled by landlords in most cases, but we will continue to seek reduction through landlord engagement Where we have direct control over cooling plant, we will aim to replace equipment with refrigerants having lower GWP impacts.

4.4 Increasing renewable supply.

This year we were unable to record our renewable PV generation from the Oxford office. It has been reported that approximately half of the solar array has not been working this past year. We are in consultation with the landlord and installer to remediate this, but due to this issue, approximately only half of the PV generation expected has been reported for this year.

In consultation with building owners, we will continue to explore opportunities to boost our renewable energy supply, whether that be through physical on-site installations or by seeking 100% Renewable Energy Guarantees of Origin wherever grid-fed electricity is in use. On-site installations are mutually beneficial, reducing our electricity-related emissions and costs whilst cutting the owner’s emissions and raising the property’s market value.

4.5 Phasing out fossil fuels in buildings.

Using natural gas in heating plant accounts for 21% of our building emissions. Significant emissions reductions could be achieved by switching to low carbon heat sources (such as heat pumps). However, it is also a challenge

as the majority of our offices have central plant managed by the landlord. We will continue to speak to our landlords to seek the replacement of boilers with heat pumps.

The combustion of fossil fuels is inherently unsustainable both in terms of its supply and its impact on climate change as well as being undesirable in terms of impact on local air quality. Currently, the best solution is to use electrically derived heat using refrigeration-based solutions such as heat pumps.

We are aiming to transition to electric heating where we operate gas-fired boilers (subject to lease conditions and landlord agreement). Where we work in a tenant's demise, our ability to firmly commit and plan for the phasing out of fossil fuels is limited. However, we will push for public policy change and engage with building owners. The newly appointed Sustainability Manager will drive the initiative to broker engagement with landlords, leveraging climate targets and goals the business has committed to to lobby for change to 100% REGO backed renewable electricity. We understand that this will not straightforward, but it is not impossible to implement these changes.

4.6 Governance.

Mobilising governance gives us the best chance of realising the meaningful, long-lasting, and comprehensive positive impact on sustainability outcomes. With focus, we can create intent which leads to specific, considered, purposeful outcomes. In 2022, we proposed a series of actions, including boosting engagement, clarifying responsibilities and establishing a delivery framework for net zero buildings, led by our net zero working group. EMCs in each office to bolster data collection as they have a key role in promoting awareness and compliance with the business’ EM systems, and in engendering an environmentally conscious culture within their office and the firm as a whole.

4.7 Dealing with residual emissions.

Our long-term aspiration is to occupy net zero buildings by reducing energy demand as far as possible and sourcing the energy that is required from fully verified renewable electricity tariffs. We have established the process for purchasing electricity via high-quality renewable electricity contracts with Ecotricity and have successfully transferred over all offices where we control the supply of electricity as of April 2022. The default, otherwise, is that offices are supplied with low-quality electricity and have a typical grid mix of energy sources.

We intend to push for all grid-sourced electricity to be backed by 100% REGOs, even where we do not control the supply of electricity. We will collaborate with landlords where we do not control the electricity supply to facilitate the transition to renewable supplies where feasible.

Table 6: Electricity procurement type during the reporting period.

Office	Responsibility for office electricity supply	Type of electricity supply
Birmingham	Landlord	Low-quality (grid)
Bournemouth	Hoare Lea	High-quality renewable electricity
Bristol	Landlord	High-quality renewable electricity
Cambridge	Landlord	Low-quality (grid)
Cardiff	TCE lease lead (Tetra Teach led)	High-quality renewable electricity
Glasgow	Landlord	Low-quality (grid)
Leeds	TCE lease lead (Tetra Teach led)	Unknown (assumed to be grid)
London	Landlord	Low-quality (grid)
Manchester	Landlord	Low-quality (grid)

Office	Responsibility for office electricity supply	Type of electricity supply
Oxford	Hoare Lea	High-quality renewable electricity
Plymouth	Landlord	Unknown (assumed to be grid)
Reading	Landlord (co-working space)	Unknown (assumed to be grid)

Transition fund.

We are still taking the leadership approach to carbon offsetting by establishing a transition fund to further support the transition to net zero. For the period FY24-25 we are keeping our carbon price at the same rate as the previous year, £95/tCO₂e. This is equivalent to the carbon price set by the Mayor of London and similar to the carbon price being used by some other leading organisations operating in the built environment sector.

Our transition fund comprises two parts: (i) payments for approved international offsets, and (ii) investment in a UK community-based carbon reduction project.

(i) Payment for offsetting baseline emissions through an approved international carbon standard. £6,745.2 (£30.66/tonne)	(ii) Investment in community-based carbon reduction project in the UK (for the remainder of the transition fund). £20,000
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Total transition fund for this reporting period: £26,745, based on 220 tCO₂e to be offset at a carbon price of £95/ tCO₂e

Carbon offsetting.

Accepting that we are going to be making an ongoing investment in offsetting, we want to ensure that the investment has maximum impact. As far as possible, we want our investments to align with the Oxford Principles for Net Zero Aligned Carbon Offsetting but to also maximise non-carbon benefits, such as providing community value, in line with our corporate responsibility strategy¹³.

In the context of our corporate responsibility strategy, investing in carbon removal projects such as afforestation, i.e., a nature-based solution, would both remove carbon from the atmosphere and support other ecosystem benefits; planting trees sustains biodiversity, provides active water filtration and generates employment.

We shall purchase offsets through a suitable Gold Standard program after the BRE verification process has been completed.

The UK-based community transition fund project.

The remainder of the transition fund (£20,000) will be awarded to an employee nominated scommunity transition fund project in the next carbon accounting year (2024-25).

As an engineering consultancy, we recognise the role the built environment must play in mitigating its ~40% contribution to the national carbon footprint and have decided to pledge the remainder of our transition fund in support. Specifically, we will use the remainder of the transition fund to invest in a UK community-based carbon reduction project. This could, for example, entail implementing energy efficiency improvements or enable the retrofit of LZC technologies in one or more community projects. As an example, education buildings are at the forefront of the government's push to decarbonise the UK; all new Department for Education schools must be designed as net zero.¹⁴

¹³ <https://www.smithschool.ox.ac.uk/publications/reports/Oxford-Offsetting-Principles-2020.pdf>

¹⁴ <https://www.gov.uk/government/publications/output-specification-generic-design-brief-and-technical-annexes>

Verifying our net zero balance.

A critical facet of any net zero strategies is disclosure - inviting scrutiny should help establish the robustness of the net zero building claim and increasing transparency will ensure consistency across reporting organisations, making it easier to assess progress.

This report and its appendices have been audited by accredited third party, BRE, to verify the approach and calculations used to determine our net zero balance in line with UKGBC and WorldGBC requirements. Senior Consultant Adorkor Bruce-Konuah and Associate Director Colin Sinclair of BRE have concluded that the approach we have taken is consistent with the requirements of the UKGBC Net Zero Carbon Framework. We will submit the audit verification letter alongside our report to WorldGBC.

Disclosure should be made through any publicly accessible information, and we are opting to ‘show our working’ by publishing a condensed version of this report on our website. By committing to openness, we risk our collaborators and clients identifying shortcomings in our net zero claims. We welcome all comments – continuous improvement and refinement of reporting is a central tenet of carbon management.

Appendix A: Reporting, metering and assumptions.

Assessment for FY24-25.

Table 7 sets out the breakdown of the emissions baseline for FY24-25 (1st Oct 2024 to 30th Sept 2025). The emissions factors applied are detailed in the next section.

Table 7: FY24-25 carbon emissions breakdown.

Emission source	Input Data	Emissions tCO ₂ e [previous FY]	% of baseline	Notes
Building related Scope 1				
Mains gas	Energy, kWh	46 [70]	21%	Combination of metered and unmetered data
Fugitive emissions	Mass of refrigerant, kg	31 [31]	14%	Estimated, based on CIBSE benchmarks and installed plant
Scope 1 totals		77 [101]	35%	
Building related Scope 2				
Grid electricity (Location based)	Energy, kWh	133 [182]	60%	Combination of metered and unmetered data
Heat	Energy, kWh	10 [10]	5%	London and Plymouth offices
		143 [192]	65%	
Building related Scope 1 and 2 total				
Intensity metrics	Gross area	7,845 m ²	0.028 tCO ₂ e/m ²	
	Staff FTE	968	0.227 tCO ₂ e/FTE	

Emissions factors.

Energy.

In line with UKGBC carbon accounting guidelines, emissions factors have been sourced from the UK Government Greenhouse reporting conversion factors. Emission factors used for FY24-25 were the Government 2025 factors which are 0.177 kgCO₂e/kWh for grid electricity and 0.183 kgCO₂e/kWh for natural gas.

The emissions factor for the King's Cross district heat network, which is CHP led, has been set as 0.0719 kgCO₂e/kWh in the King's Cross Utilities Guide prepared by The King's Cross Central Limited Partnership. This value was calculated in 2016 and was the most recent available at the time of preparing this report. The possibility of using an updated factor will be investigated in future years. A factor of 0.254 kgCO₂e/kWh has been estimated for the Plymouth network which uses gas boilers only (see the assumptions section for additional information).

Electricity – market-based factors.

In line with UKGBC carbon accounting guidelines, emissions factors have been sourced from the UK Government Greenhouse reporting conversion factors. The UK Government Greenhouse reporting conversion factors discussed above are location-based.

Emission factors used for FY24-25 were the Government 2025 factors which are 0.177 kgCO₂e/kWh for grid electricity and 0.183 kgCO₂e/kWh for natural gas.

The UKGBC state that electricity sourced from renewable electricity procurement mix¹⁵ has an emissions factor of 0.000 kgCO₂e/kWh, with all other electricity assigned the residual grid emissions factor. BEIS does not publish this value, and the UKGBC recommend that it is sourced from the Association of Issuing Bodies, which publishes an annual residual grid emissions factor for Great Britain (Northern Ireland and Ireland are combined).¹⁶

The emissions factor for the King's Cross district heat network, which is CHP led, has been set as 0.0719 kgCO₂e/kWh in the King's Cross Utilities Guide prepared by The King's Cross Central Limited Partnership. This value was calculated in 2016 and was the most recent available at the time of preparing this report. The possibility of using an updated factor will be investigated in future years. A factor of 0.254 kgCO₂e/kWh has been estimated for the Plymouth network which uses gas boilers only (see the assumptions section for additional information).

Fugitive emissions.

100-year time horizon industry standard global warming potential values (GWP) have been used for the R410a (2088), R22 (1810), R407C (1774) and R134a (1430) refrigerants in our HVAC systems.

Metering.

Table 8: An outline of the current office metering systems.

Office	Utility	Meters
Birmingham	Electricity	Main meter, lighting submeter, small power submeter
	Gas	Gas meter (office apportionment)
Bournemouth	Electricity	Main meter
	Gas	Gas meter
Bristol	Electricity	Main meter
	Gas	Gas meter
Cambridge	Electricity	Lighting submeter, small power submeter
	Gas	Gas meter (office apportionment)
Cardiff	Electricity	Ground floor meter, First floor meter
Glasgow	Electricity	Office submeter
Leeds	Electricity	Electricity meter Office apportioned
London	Electricity	Data hub submeter, first floor lighting submeter, first floor power submeter, second floor lighting submeter, second floor power submeter, AH3 Fan/Pump submeter, AH4 Fan/Pump submeter
Manchester	Electricity	Main meter, Meeting room cooling submeter, WC submeter 1, WC submeter 2
Oxford	Electricity	Main meter

¹⁵ The renewable energy mix includes electricity sourced from onsite owned generation, an onsite PPA with new unsubsidised (private wire), an offsite PPA with new unsubsidised generation, high quality green tariffs, an offsite PPA w/ new subsidised, low quality green tariffs and electricity combined with unbundled REGOs

¹⁶ https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2019/AIB_2019_Residual_Mix_Results.pdf

Office	Utility	Meters
Plymouth	Electricity	East submeter, West submeter
Reading	Electricity	Electricity meter (office floor apportioned)
	Gas	Gas meter (office floor apportioned)

Assumptions.

Office energy data has been collated by the dedicated Environmental Champions for analysis within this report. As is often the case with manual data collation, there are some gaps in consumption or other data across the year. The following are examples of types of data gaps as well as the methods employed to mitigate them.

- Some offices (Birmingham, Bristol and Plymouth) had data that narrowly failed to cover a full year (though each covering at ~80% of the days). In these cases, a pro-rata was applied to the data to represent a full year.
- Some offices (Cambridge [39%], Cardiff [50%] and London [67%]) had data that covered a range of time considerably less than a full year. In these cases, a pro-rata was applied with added consideration of seasonal consumption variations (e.g. if gas consumption used for heating was missing for the summer periods, a simple annual pro-rata of the available figures through the heating seasons would overestimate the true figure).
- For the London and Plymouth offices, updated data associated with consumption from their respective heat networks was not available. In these cases, data from previous years has been reused.
- For the Plymouth office, updated data associated with the carbon emissions factor of the heat network was not available. This heat network uses gas boilers only. In this case, the emissions factor was estimated using first principles using the following methodology:
 - Taking the SECR emissions factor for natural gas of 0.183 kgCO_{2e}/kWh.
 - Assuming a boiler efficiency of 90% and distribution losses of 20%.
 - Dividing the natural gas factor by these percentages to give an overall factor of 0.254 kgCO_{2e}/kWh.
- For the London office, updated data associated with the carbon emissions factor of the heat network was not available. This heat network use gas boilers and CHP with “green gas”. In this case, the emissions factor is challenging to estimate from first principles and the value from the previous year was used.
- For the Manchester office, updated data associated with the apportioned natural gas consumption of the wider building was not available. In this case, data from previous years has been reused.
- For the Oxford office, updated data associated with the solar PV array generation was not available. In this case, data from the previous year had to be reused. Approximately half of the solar array was not functioning this past year, and so the data was halved to account for this.
- Refrigerant leakage for each office has been estimated using the following process:
 - Using office / refrigerant-service zone size to estimate the approximate refrigerant charge.
 - Using CIBSE TM65 assumed leakage rates to determine refrigerant leakage.
 - Applying refrigerant global warming potential (GWP) figures to this leakage to calculate emissions.

Appendix B: Net zero carbon buildings – operational minimum reporting template.

Table 9: Operational minimum reporting template for UK offices. Adapted from the UKGBC Renewable Energy Procurement & Carbon Offsetting guidance, pages 35 & 36.

OVERVIEW

Dates of achievement	1 st October 2024 – 30th September 2025
Verified by	BRE
Building locations	Birmingham, Bournemouth, Bristol, Cambridge, Cardiff, Glasgow, Leeds, London, Manchester, Oxford, Plymouth, Reading
Building type	B1 (a) Offices
Building description	Detailed in full report
Energy scope	Detailed in full report
Assessed area	7,845 m ² total (Full report shows building level breakdown with a combination of GIA and NLA used)
Percentage of total building area	N/A due to the mix of the building contained within the portfolio
Data sources	ESOS report and references therein: Hoare Lea-ESOS Phase 3 Compliance Report and ESOS Action Plan

ENERGY – OVERALL

Indicator	kWh	kWh/m ²
Total annual energy consumption	1,076,739	137.2
Total annual electricity consumption	748,658	95.4
Total annual fuel consumption (all other sources e.g. natural gas, ‘green gas’, heat network) per fuel/delivery type	324,756	41.4
Total annual electricity exported by renewable energy sources minus storage losses (e.g. photovoltaic) *halved as PV array not fully working)	747	1

RENEWABLE ELECTRICITY PROCUREMENT

Indicator	kWh	%
Onsite owned (*halved due to PV array not fully working)	4071.5	0.5%
Onsite PPA w/ new unsubsidised (private wire)	0	0%
Offsite PPA w/ new unsubsidised	0	0%
High quality green tariffs	364,896	48.5%
Offsite PPA w/ new subsidised	0	0%
Low quality green tariff	291,542	39%
Unbundled REGOs	0	0%
Landlord tariff or quality unknown	92,219	12%
Total		100%

SUPPLEMENTARY NARRATIVES REQUIRED:

- Where interim EUI targets have not been met: an action plan will be prepared setting out how the target will be met in subsequent years.

- For existing buildings utilising fossil fuel based heating, hot water, and cooking: a trajectory plan setting out how fossil fuels will be phased out by its next system replacement cycle. The plan should also indicate how all other energy systems will be compatible with being powered by renewable energy sources by their next system replacement cycle.
- Supporting procurement information, e.g., supplier and green tariff name, REGO registry entry (Refer to Table 9-10 of the Renewable Energy Procurement & Carbon Offsetting guidance).
- Scope 2 – location-based data provided only. Market-based data not disclosed at the time of writing this report.

CARBON

	Dual reporting			NZCB Framework Definition approach	
	Scope 1	Scope 2 (location-based)	Scope 2 (market-based)	Scope 1	Scope 2
Total annual direct CO ₂ e emissions from self-generation and consumption	0 tonnes			0 tonnes	
Total annual indirect CO ₂ e emissions from imported electricity		164 tonnes (incl 31 tonnes refrigerant)			164 tonnes (incl 31 tonnes refrigerant)
Total annual direct CO ₂ e emissions from combustion of fuel (e.g. onsite gas) per fuel type	46 tonnes			46 tonnes	
Total annual indirect CO ₂ e emissions from combustion of fuel (all other sources, e.g. heat network) per fuel type		10 tonnes			10 tonnes
Total annual CO ₂ e for Scope 1 + 2 emissions	220 tonnes			220 tonnes	

For net calculations:

Total annual displaced CO ₂ e emissions from electricity exported by on-site renewable energy sources minus storage losses	0
Total annual displaced CO ₂ e emissions from international carbon offsets	220 tonnes
Total annual displaced CO ₂ e emissions from domestic carbon units	0
Total annual net CO ₂ e emissions	220 tonnes

OFFSETS

Carbon offset approach used	Transition fund
International carbon offset standard used, amount and type of offset credit procured	Standard: Gold Standard Amount:220 credits (also covering sources outside of UKGBC scope as detailed in the main report) Type of offset credit: Reforestation Registry Link: https://registry.goldstandard.org/credit-blocks?q=Gold+Standard+Marketplace+Order+GSM25995+&page=1
Domestic carbon unit standard used, amount and type of offset unit procured	N/A
Registry link	
Weighted average cost per tonne of CO ₂ e for carbon credits/units bought	£30.66/tCO ₂ e (approx..)
Transition Fund – carbon price, cost per tonne of CO ₂ e (if applicable)	£95/tCO ₂ e

SUPPLEMENTARY NARRATIVE REQUIRED:

- For Transition Fund approach – Refer to Section 4.8.

Table 4: Carbon Accounting for 'Net Zero Carbon – in Operation'. Adapted from the UKGBC Renewable Energy Procurement & Carbon Offsetting guidance, pages 56 & 57.

CARBON ACCOUNTING FOR 'NET ZERO CARBON – IN OPERATION'

Building	Area (m²)	Gas (kWh)	Heat (kWh)	Electricity (kWh)	Renewable electricity procurement mix – consumption (kWh)							Electricity (kWh)	Exported generation (kWh)
					Onsite owned	Onsite PPA w/ new unsubsidised (private wire)	Offsite PPA w/ new unsubsidised	High quality green tariffs	Offsite PPA w/ new subsidised	Low quality green tariff	Unbundled REGOs		
Birmingham	370	6,710	0	34,740	-	-	-	-	-	34,740	-	-	-
Bournemouth	901	47,093	0	71,715	-	-	-	71,715	-	-	-	-	-
Bristol	994	59,660	0	200,780	-	-	-	200,780	-	-	-	-	-
Cambridge	279	44,651	0	30,236	-	-	-	-	-	30,236	-	-	-
Cardiff	568	0	0	65,664	-	-	-	65,664	-	-	-	-	-
Glasgow	466	0	0	27,973	-	-	-	-	-	27,973	-	-	-
Leeds	339	0	0	39,041	-	-	-	-	-	-	-	39,041	-
London	2,044	0	44,653	154,906	-	-	-	-	-	154,906	-	-	-
Manchester	753	74,302	0	43,687	-	-	-	-	-	43,687	-	-	-
Oxford	279	0	0	26,737	4,071	-	-	26,737	-	-	-	-	747
Plymouth	511	0	28,199	26,605	-	-	-	-	-	-	-	26,605	-
Reading	341	19,489	0	26,573	-	-	-	-	-	-	-	26,573	-
Refrigerants**													
Total	7,845	251,904	72,852	748,658	4071	0	0	364,896	0	291,542	0	92,219	747
					%	0.5%	0%	0%	48%	0%	39%	0%	12.5%

. *Areas included are from the new offices.
**Refrigerants included as a total not individually by building
***incl 10 for Heat

Scope 1	Scope 2: location-based	Scope 2: market-based	Scope 1	Scope 2: location-based
Dual reporting (gross tCO2e)			NZCB Framework (gross tCO2e)	
1.2	6.1	-	1.2	6.1
8.6	12.7	-	8.6	12.7
10.9	35.5	-	10.9	35.5
8.2	5.4	-	8.2	5.4
-	11.6	-	-	11.6
-	5.0	-	-	5.0
-	6.9	-	-	6.9
-	30.6	-	-	30.6
13.6	7.7	-	13.6	7.7
-	4.7	-	-	4.7
-	11.9	-	-	11.9
3.6	4.7	-	3.6	4.7
31	-	-	31	-
77	143***	-	77	143***

Gross scope 1 + 2 combined (tCO2e)
Exported generation (tCO2e)
Net combined (tCO2e)
Min. offset credits required for FY24/25

Scope 1 inc. refrigerant	Scope 2	Total
77	143	220
0	0	0.0
77	143	220

220

Appendix C: Carbon offsetting certificate.



We are delighted to confirm the retirement of
220 Verified Emission Reductions (VERs)
for
Hoare Lea LLP
on 10/04/2026

Planting Biodiverse Forests in Panama - (220x)

*These credits have been retired, saving **220** tonnes of CO2 emissions
from being released into the atmosphere.
Thank you for investing in a safer climate and more sustainable world.*

Order number: [GSM31787](#)

Gold Standard

Retirement certificates are hosted on the Gold Standard Impact Registry, [view your certificate](#).

Gold Standard | Chemin de Balexert 7-9 1219 Châtelaine, International Environment House 2, Switzerland | [goldstandard.org](#). +41 22 788 70 80, [help@goldstandard.org](#)

Appendix D: Third Party Audit letter.

Audit letter to be incorporated after BRE verification process is complete.



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