

Carbon Reporting is the first step toward decarbonizing buildings. Achieving an overview makes emissions actionable and manageable

Buildings represent almost 40% of the total CO₂ emissions, making it one of the most emission-heavy industries in the world. According to the World Green Building Council (WGBC), all buildings must be carbon neutral by 2050 to align with the Paris Agreement.

The art of Carbon Reporting is about creating a transparent overview of emissions. This enables comparisons of buildings through benchmarks and identification of reduction opportunities as to where to focus decarbonization efforts first. It empowers portfolio owners and investors to inform stakeholders and set goals based on a transparent data foundation of recognized methodologies and conversion factors. In order to inspire more companies to kick off their sustainability journey, we provide 5 steps on how to report on Carbon Emissions.

Step 1 - Portfolio Inventory

The first step toward reporting concerns an overview of the Real Estate Portfolio. To build a sustainable portfolio, one must have an overview of its inventory, which includes the building details such as type of buildings, year of construction, size (sqm), and location. These aspects help to create an overview of the various buildings and are much needed for carbon accounting platforms to extract the attached data and make reliable emission calculations. Dates of purchasing or selling are equally important to ensure an accurate timeline and explain outliers (unexpected fluctuations) within the data.

Portfolio owners must establish their buildings' Energy Profile, including identifying the consumption data's location. This varies from Administrators, Energy Management Systems (EMS), Public Databases (e.g. OIS), and Meters. This Portfolio Inventory works as the foundation to start the Carbon Reporting process. It enables our platform to connect your buildings with various data points to extract the best possible data, whether it's Public, Meterdata, or EPCs.

Step 2 - Data Collection

The second step is concerned with Data Collection. Our approach to data is that it drives good decision making. Following the WGBC's report of embodied emissions, aging EU buildings are expected to require extensive energy-efficient renovation to reduce their carbon emissions. Hence, identifying which buildings to renovate and prioritizing among them will be key.

Data that needs to be collected is the energy consumption of heating, electricity, gas, waste, and water for each building. It is essential to have an updated database of consumption data to track emissions and the progress of sustainability goals and strategies. This allows portfolio owners to identify the sources of carbon emissions and customize the reduction strategies for each building.

To ensure the best overview of emissions, collecting reliable data is crucial to provide the best calculations possible and to increase the basis for your decisions. This data comes from property administrators, EMS, or other public or private databases. Knowing where your carbon emissions come from can be used as a guide for your reduction strategies.

Our integrations help you utilize the best possible data for each of your buildings, setting you on the path toward effective carbon management.

Step 3 - Carbon Footprint Calculations

Using the right calculation methods is key. With various frameworks for calculating emissions, it can be difficult to know whether or not your method is correct. We advise using recognized methodologies and conversion factors such as the ones from the Greenhouse Gas Protocol (GHG), The Environmental Protection Agency (EPA), or The Intergovernmental Panel on Climate Change (IPCC). This secures calculations that can be documented for future reference, reporting, and auditing.

Supplier-specific emission factors from water, heating, electricity, and waste suppliers are also essential to achieve the best possible calculations of consumption data for each building. Our Platform connects your buildings to their suppliers of water, heating, and electricity, and all of our calculations are based on methodologies and conversion factors of the highest standard to ensure accurate calculations of emissions.

Remember: Understanding your carbon footprint is the first step to reducing it.

Step 4 - Benchmarking, Reduction Opportunities, & Goals

Benchmarking of properties enables an overview of reduction opportunities to set tailored and reasonable Goals. Using benchmarks to compare properties' emissions with similar properties within your portfolio or the Real Estate Industry provides the opportunity to identify where you perform well and which properties need to improve.

Identifying Reduction Opportunities empowers portfolio owners to improve energy efficiency and prioritize opportunities based on projected emissions to achieve the greatest impact on their

emissions. Turn your insights into actual reduction opportunities that enable you to share your Goals and are based on a reliable data foundation.

These aspects ensure the highest level of transparency and the greatest value-for-money in your sustainability efforts. Our Platform provides various benchmarks to compare properties with each other and industry averages. We offer projections of emissions until 2050, which, together with benchmarking and reliable emission calculations, allows portfolio owners and investors to set tailored Goals.

Step 5 - Carbon Reporting

The Carbon Report must include all your data, such as calculations, benchmarks, and reduction efforts. All of this needs to be compiled into a report to achieve complete compliance with current and incoming regulations. This includes explanations of methodologies, projections, and sustainability strategies of the entire portfolio.

A thorough carbon emission report informs stakeholders of the companies' process and potential progress through an overview of yearly emissions and goals, which can be used as a guide for future actions.

Legacy's Platform enables portfolio owners and investors to download an audit-ready report with 1 click. This report includes the total emissions of the entire portfolio or subsets within, calculations, and everything else that is needed to fulfill and comply with frameworks such as the GHG Protocol.