



CRREM Townhall EUI Q&A

January 16, 2026

1. Assuming the Technical Council agrees to revise the EUI Methodology and new EUI Pathways are released, is there an expectation that the market should retrospectively apply the changes to reports/decisions already made?

There is no expectation for retrospective application. Any revised Methodology or resulting CRREM Pathways would be expected to be used from the “effective date”.

Per [CRREM’s Change & Update Protocol](#), all materials, including new Pathways are required to be published at a minimum of 90 days (for Low Impact changes or updates) and a minimum of 120 days (for High Impact changes or updates) before their “effective date”.

Note: Any revision to a CRREM Methodology is, by default, classified as a High Impact workflow.

2. The Technical Council will seek to revise the Methodology if they determine that there are opportunities to materially improve it. What do you mean by material, or what will they consider?

In practice, whether a revision is considered a material improvement to CRREM’s EUI Methodology, or the resulting CRREM EUI Pathways, is a professional judgment that the Technical Council will need to make. This assessment involves determining whether proposed changes would make the EUI Pathways more decision-useful for users, enhance the scientific accuracy of the Methodology, or drive greater market activation. Another key consideration will be feasibility of the global real estate market to maintain consistency of data inputs to allow meaningful comparisons against the CRREM Pathways (e.g., standardized energy inputs and normalization factors).

3. How should users think about the CRREM EUI Pathways? Is the intention for them to become as decision-relevant as the CRREM Carbon Pathways, or primarily to be a complementary lens to support carbon alignment?

In its current form, the primary role of the CRREM EUI Pathway is to strengthen and support carbon alignment by providing additional insight into a building’s underlying energy performance.

Unlike carbon, energy use intensity (EUI) reflects operational efficiency independent of grid decarbonization. It therefore provides a clearer view of how efficiently an asset is run at the building level. This is particularly relevant from a risk perspective, as operational efficiency translates into tangible financial considerations such as tenant affordability, which affects rental reversion potential.

We see the CRREM EUI Pathway as both complementary and, in certain contexts, capable of being used independently. As the market matures, its decision relevance may increase, particularly where investors seek to distinguish between assets that are aligned due to genuine efficiency improvements versus those benefiting primarily from grid decarbonization.





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4. Keen to know the market perspective on the CRREM EUI Pathways, since my feeling is that it is way more focus CRREM's Carbon Pathways.

While CRREM is most widely recognized for its Carbon Pathways, the EUI Pathways remain highly relevant. When undertaking a risk assessment, both carbon and energy performance assessments are essential to capturing the full profile of assets. Relying solely on carbon metrics can mask underlying inefficiencies, particularly in regions with cleaner electricity grids. Additionally, future grid capacity and peak demand constraints highlight the importance of absolute energy reductions. Applying both pathways ensures a more robust and forward-looking assessment of asset performance.

5. Our assets perform significantly higher than the 2050 target. How are those values obtained or why do they differ across countries?

We invite you to review how the CRREM EUI Pathways are developed in the [CRREM EUI Methodology Explainer](#). This includes a detailed explanation of who the values are obtained and why they differ across countries/jurisdictions.

6. Given that 2020 was an abnormal year, particularly for hotels, has there been any consideration given to whether 2020 EUI is an appropriate baseline or whether some form of normalisation or multi-year averaging would be more representative?

Despite disrupted occupancy across many property types during COVID-19, actual energy consumption generally remained in line with prior-year levels. This is because most buildings continued to operate in accordance with lease or operating contract agreements, which specify temperature setpoints and operational conditions irrespective of occupancy levels. Where deviations in consumption data were identified, these were controlled for in the baseline years.

7. Does CRREM still believe in the 1.5°C-target?

The CRREM Foundation follows the latest climate science. With respect to a 1.5°C warming scenario, the International Energy Agency (IEA) has confirmed that technically viable pathways still exist. For that reason, we continue to believe that aligning with 1.5°C remains both scientifically grounded and worth striving for.

As a transition risk assessment framework, however, CRREM also recognizes the importance of scenario analysis. Sound risk management typically considers multiple plausible pathways, including alternative temperature outcomes. Therefore, while 1.5°C remains the benchmark for science-based alignment, we see value in incorporating additional scenarios to ensure robust risk assessment and resilience planning. More information about this will be shared in due course.





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8. Will the CRREM EUI Methodology include increasing energy need to charge EVs?

EV charging is not currently included in the CRREM EUI Methodology. This topic will be discussed within the Technical Council, but the current consensus is that energy for EVs should be attributed to the transport sector rather than the building. Distinguishing building-related energy from EV charging can be challenging in practice, though separate metering is strongly encouraged.

9. Could you explain how users should work with the “building stock weighted emission factor”?

The building stock weighted emission factor is part of the EUI Methodology used by CRREM in deriving the EUI pathways at a sector and jurisdiction level. It reflects the average fuel mix across the relevant building stock and ensures that the CRREM EUI Pathway is representative at system level.

Users are not required to calculate or apply building stock weighted emission factors themselves. When conducting an asset-level risk assessment, the relevant CRREM EUI Pathway already incorporates this methodological step. No additional calculation is needed for individual portfolios or building samples.

In short, building stock weighted emission factors are only used in developing the CRREM EUI Pathways, themselves. Not as input for users.

10. How can one take account of unusually high floor heights? In industrial buildings floor heights will disturb the /sqm floor area intensity.

Floor to ceiling height is currently not a normalization factor. The importance of this issue, including other questions around normalization, will be further examined by the Technical Council.

11. Will you be publishing more detail on the inclusion of refrigerants within the GHG pathways? Also the assumed split between electricity and gas?

Please find more information on page 39 in the [Global Methodology document](#), the document also gives information on all the sources used to derive the CRREM Pathways.

12. Should the Levelling Year be understood as a physical limit on how efficient buildings can realistically become, or just the point at which the model reaches its predefined energy budget?

The Levelling Year represents the point at which the EUI trajectory intersects the Net Zero ending target intensity. In the current EUI Methodology, this target is defined by an energy budget, not by the technical feasibility of building efficiency improvements. It should therefore





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be understood as a modelling benchmark rather than a physical limit.

13. Decarbonization is increasingly tied to market's instruments such as RECs, will CRREM EUI methodology also consider recognizing off-site RECs as Singapore's real estate has its limitation for on-site renewable too?

This question is more relevant for assessing performance against CRREM's Carbon Pathways, less so for EUI. CRREM officially still allows for both market- and location-based emission factors, but location-based carbon accounting is considered best practice, as it reflects the actual emissions associated with energy consumed on-site.

From an investment risk and value perspective, carbon reductions recognized via off-site instruments like RECs or power purchase agreements can be "sold away" when an asset changes ownership, making them less relevant for assessing asset-specific performance. While the Technical Council may provide further guidance, market-based approaches are not yet considered a globally reliable way to improve carbon or energy performance.

14. When we consider improvement for heating and cooling system on asset level, we will need to consider HDD and CDD to keep them compatible. So far, we have calculated the heat pump electricity use and considered HDD for that electricity, would this be wrong?

Without full details of the analysis, this approach appears reasonable. HDD and CDD primarily affect the asset's heating and cooling demand, affecting the amount (and carbon intensity) of electricity consumed by the off-site heat pump.

15. Will the EUI Methodology review cover how global budgets are translated to national real estate stocks per property type?

The EUI Methodology Review will assess the complete EUI Methodology. Note: we are not undertaking a review of CRREM's Carbon Pathways.

16. Will the EUI Methodology review address if/how, in the future, both scientific and national political carbon budgets could be accounted for?

CRREM uses science based carbon budget and not national political budgets or regulatory requirements. CRREM's work will remain focused on science based budgets, but we do see value in comparing or presenting regulatory limits or other relevant transition risk considerations.

17. Will the EUI Methodology review include which floor area definitions are used, and how that's translated for harmonized modelling? And if you could guide users to convert different floor area types for their market?

Floor area definition is on the Technical Council's radar, and we will consider how this impacts our ability to be globally relevant and user-friendly. We fully recognize that floor area





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measurements remain a consistent challenge for achieving globally consistent energy measurement and performance assessment.

18. Will the EUI Methodology review include a point to ensure that carbon accounting is done in the same way (e.g. EFs for the Norway/Nordics equally account for national electricity exports and imports, Switzerland's political decision to fully account for emissions from energy from waste incineration)?

CRREM applies a globally consistent methodology. Any adaptations to reflect local legislation or policy, such as national electricity exports/imports in the Nordics or Switzerland's treatment of energy-from-waste emissions, will be determined by the Technical Council. While alignment is pursued as priority, CRREM is also subject to data availability and ability to disentangle nuances and complexities in how emission factors are calculated across different jurisdictions.

19. It is difficult to compare buildings unless energy for climatization, and all other uses are separated. What is CREEM's position?

CRREM applies a whole building approach, considering all energy use collectively. While this approach is expected to remain in place, any changes would be determined by CRREM's Technical Council. We recognize that how energy loads are included to compare against the CRREM Pathways is an important topic, and it is specifically addressed in the EUI Methodology questionnaire for the market sounding.

20. Would it benefit to be just carbon aligned? As if the grid is cleaning-up, should places be allowed to benefit from a bit more EUI allowance?

CRREM already accounts for grid decarbonization through the Building Stock Weighted Emission Factor. For more details on how grid projections and actual emission factors influence performance, please refer to the [EUI Methodology Explainer](#). That said, even buildings in clean grids should improve their energy performance to drive lower operating costs.

21. Is building age a variable the CRREM Technical Council is considering including?

Building age is not currently used as a normalization variable in CRREM's Methodology. Changes to the normalization approach have not yet been specifically proposed with the Technical Council. However, the ongoing EUI Methodology Review includes questions on normalization approaches and factors, and we expect this to be a key topic in discussions with the Technical Council throughout the year.

22. Have you noticed that an asset using electricity from the grid is mostly misaligned after 2035?

There is an important relationship between CRREM performance and the local grid. Country-specific factors play a key role: in regions with already low-carbon grids, electrified assets perform well, whereas in countries with high emission factors, such as Poland or parts of Australia, higher electricity use can lead to earlier misalignment. Grid decarbonization over





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time must also be considered when assessing future performance.

23. Which future developments should we expect from the CRREM Risk Assessment tool?

We will provide a more detailed update soon. We are engaging with stakeholders on the future of the CRREM Risk Assessment tool, noting that demand has declined in recent years as simpler alternatives have emerged. We are evaluating whether CRREM's greatest impact lies in maintaining the front-end tool or focusing on its core role as a science based pathway developer and standard setter. Maintaining the tool is resource-intensive and can divert attention from other high-priority initiatives, so this evaluation, and potential evolution, is something we take very seriously.

24. Can you explain what the very small year-over-year changes in EUI are caused by in a static situation? Also, when an asset is fully electric there seem to be changes.

When using the CRREM Risk Assessment Tool, a small year-over-year change in EUI is automatically calculated to reflect projected changes in heating degree days (HDD) and cooling degree days (CDD) under different climate scenarios.

This additional calculation is not required when conducting a risk assessment outside the tool. Therefore, if you are working with a CRREM Licence Partner or performing the assessment in a separate model, this adjustment does not need to be replicated.

