

# Press release

## New sustainable approach to office deliveries at 22 Bishopsgate could help city centres stay green and safe post COVID

**- Developed with the City of London Corporation, London's first dedicated logistics centre for a single office, managed by Clipfine, is set to improve safety and pollution around tall buildings -**

**- Significant reduction in emissions achieved by cutting 1,250 vehicle trips per week -**

AXA IM Alts, a global leader in alternative investments with c. €163 billion of assets under management <sup>[1]</sup>, has appointed Clipfine to manage what will be London's first dedicated offsite consolidation centre for a single office building at its flagship London development, the 1.3 million sq ft, 62-storey 22 Bishopsgate. It is the latest in a number of significant sustainability and wellness initiatives at the building which is due to open fully later this year and involves consolidating all lorry, van and car deliveries at the offsite consolidation centre in Borehamwood, North West London.

Clipfine has been providing the consolidation of deliveries and logistics for 22 Bishopsgate during its construction for the past six years and will utilise this and its wider experience to meet the ongoing requirements of the building and its occupiers. The concept was developed with the City of London Corporation and reflects AXA IM Alts' integrated approach to responsible investment management and making a positive contribution to society, focusing on *Decarbonisation, Resilience* and *Building Tomorrow Together*.

22 Bishopsgate is expected to house an average of c. 7,000 people daily and up to 12,000 people at full occupancy, and with an estimated 2.5 million items delivered annually <sup>[2]</sup>, this new approach provides significant environmental, health and safety benefits.

AXA IM Alts estimates that by consolidating deliveries it can reduce the number of vehicle trips to 22 Bishopsgate from c. 1,300 to just 50 per week <sup>[3]</sup>. This will significantly lower local vehicle emissions including up to 1.8 tonnes of nitrogen oxide emissions within the City each year, with an associated 26 kg reduction in airborne particulate matter PM10, made up of particles smaller than 10 micrometers in size <sup>[4]</sup>. This is highly significant given that in London alone, an estimated 9,500 <sup>[5]</sup> deaths per year are linked to long term exposure to air pollution and over 400 schools exceed safe pollution levels, impacting some 400,000 children <sup>[6]</sup> while 40% of roadside NOx emissions are attributable to delivery vehicles <sup>[7]</sup>.

By scheduling deliveries to arrive outside of peak hours, the new system will also improve road safety as lorries are disproportionately involved in fatal collisions, accounting for just four per cent of the overall miles driven in the capital, but involved in 63 per cent of fatal collisions involving cyclists and 25 per cent involving pedestrians <sup>[8]</sup>. Transport for London attributes 58% of cyclist and 22.5% of pedestrian deaths to road freight <sup>[9]</sup>. This becomes even more significant when considering the likely increase in commuters looking to cycle to work following the global pandemic, something facilitated and encouraged by 22 Bishopsgate's active commuter park which includes the largest cycle park in London.

AXA IM Alts believes that this approach will provide a blueprint for the future of office bound deliveries in city centres, with further gains to come as electric vehicle technology improves. The infrastructure has already been built into the loading bays

underneath 22 Bishopsgate to allow for electric vehicle charging points to be fitted in the future with the ultimate aim of reducing vehicle emissions to zero through further transport innovation.

All vehicles will pass through the consolidation centre where items will be security screened and individually tagged to provide user convenience of full *'track and trace'* at every stage of the delivery. Loads will then be consolidated before being sent on the final journey to 22 Bishopsgate, where, upon arrival, the security sealed cages will be conveniently delivered straight to occupier's individual lobbies. Concurrently, outgoing items, packaging and waste will be collected for the return trips before being sorted and dispatched for recycling at the consolidation centre, further reducing vehicle movements.

The addition of the consolidation centre will further enhance the building's existing sustainability credentials, which range from having all staff employed by the operational team at the building wear sustainably sourced uniforms, to 22 Bishopsgate being first building in the UK to achieve WELL Building Standard. Having been built and developed to the highest sustainability standards, the building sources its energy so as to be 100% carbon neutral in operation, and all windows are triple glazed to not only increase the energy efficiency of the building but also to reduce noise and boost the level of natural daylight by 60%, reducing the need for internal lighting and providing a healthier environment.

22 Bishopsgate has been developed by AXA IM Alts' market leading Real Assets platform, the leading <sup>[10]</sup> real estate portfolio and asset manager in Europe, on behalf of an international consortium of investors, alongside development partner Lipton Rogers Developments.

**Phillip Shalless, Senior Asset Manager at AXA IM Alts, said:** "Our goal at 22 Bishopsgate is to look beyond the traditional and deliver a building that sets new standards across the board and is firmly focused on the wellbeing of its residents and visitors as well as the environment. The concept of the consolidation centre was developed working with the City of London Corporation to reduce city traffic and create safer and calmer environments for pedestrians and cyclists and will be even more pertinent given marked increase in self powered or e-powered commuting that we expect post-pandemic. Having actively funded the research and development and having already been testing this pilot facility as our first residents fit out their work spaces, we encourage developers of city centre offices to consider how this approach can improve air quality and reduce road related risk around their buildings. We have worked successfully with Clipfine during the construction of 22 Bishopsgate, we now look forward to continuing that partnership as occupiers move in and the building comes to life."

**Eamon MacCarron, Director of Clipfine said:** "We are very proud to have been appointed by AXA IM Alts to manage the 22 Bishopsgate offsite consolidation centre for its tenants. We have provided logistical services on this flagship build since 2015, and look forward to continuing to serve the needs of the building's residents as the building comes to life later this year. There are not only huge cost savings achieved through the use of consolidation centres but also environmental benefits. Through the use of a consolidation centre, and our aim in implementing a fully electrical vehicle fleet, we will not only decrease the overall number of vehicles entering and congesting the roads in Central London, but will also reduce the polluting aspect and risk to cyclists and pedestrians these vehicles bring. We look forward to meeting the challenge and inspiring future projects to follow suit."

**Alastair Moss, Chair of the City of London Corporation's Planning and Transportation Committee, said:** "22 Bishopsgate is a significant addition to the City's skyline and it is great that this building adopts our radical plans to reduce emissions and congestion through the innovative policies we have set out in our Transport Strategy. This new consolidation centre will play an important role in improving sustainability by significantly reducing the number of deliveries, which will benefit workers, residents and visitors across the City."

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1 Source: AXA IM Alts unaudited data as of end of June 2021

2 Source: Data compiled from JLL, AXA IM Alts and The Logistics Group

3 Source: Same as above

4 Source: Emissions and accident statistics come from the following sources, which were then applied to 22 Bishopsgate's volume data and assumptions:

<http://www.hscic.gov.uk/pubs/hes0809>; Air Quality Appraisal - Damage Cost Methodology Interdepartmental Group on Costs and Benefits, Air Quality Subject Group February 2011; (DEFRA) Emissions from Volvo's trucks, issue 02, paper number 1011014001 Conference Paper NREL/CP-540-46598 May 2010 Emissions of Transport Refrigeration Units with CARB Diesel, Gas-to-Liquid Diesel, and Emissions Control Devices;

<http://www.freightonrail.org.uk/PDF/HGV%20track%20cost%20report%202014%20June.pdf>

5 Source: Mayor of London - <https://www.london.gov.uk/press-releases/mayoral/mayor-unveils-action-plan-to-battle-toxic-air>

6 Source: Mayor of London - <https://www.london.gov.uk/press-releases/mayoral/two-million-londoners-live-with-illegal-toxic-air>

7 Source: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/633270/air-quality-plan-detail.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/633270/air-quality-plan-detail.pdf)

8 Between 2015 and 2017. Source: <https://www.london.gov.uk/press-releases/mayoral/mayor-launches-world-leading-lorry-safety-scheme>

9 Source: The Guardian quoting the Mayor of London - <https://www.theguardian.com/uk-news/2016/sep/30/lorries-face-london-ban-plans-improve-safety-cyclists>

10 Source: INREV Fund Manager Survey – June 2021 – in terms of assets under management

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### About AXA IM Alts

AXA IM Alts is a global leader in alternative investments with €163 billion of assets under management <sup>(1)</sup> as of end of June 2021, across real assets (real estate & infrastructure), private debt & alternative credit and private equity & hedge funds. AXA IM Alts employs over 750 people located in 16 offices around the world and serves the needs of more than 350 clients from Europe, North America, Asia Pacific and Middle East. We are a global leader in real assets investment with c. €110 billion of assets under management, the number one property portfolio and asset manager in Europe <sup>(2)</sup>, and one of the largest worldwide.

<sup>1</sup> Source: AXA IM data (unaudited). All figures as of 30 June 2021.

<sup>2</sup> Source: INREV Fund Manager Survey, June 2021. #1 largest European managers in total real estate assets under management.

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AXA IM employs over 2,440 employees around the world, operates out of 27 offices across 20 countries and is part of the AXA Group, a worldwide leader in insurance and asset management.

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