Sustainability report

2025

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Foreword

Transformation across the built and natural environments is both necessary and inevitable. The detrimental impacts of climate change and biodiversity loss are rapid and intensifying. In response, the sector must rethink and reshape its practices to reduce carbon emissions and build resilience.

The 2025 Sustainability report aims to assess progress of the sector in adopting more sustainable approaches. The study examines the sentiments of thousands of professionals operating across the commercial real estate and construction sectors. It offers critical insights into the areas where we've made progress, while also identifying barriers that continue to hinder the transition to a more sustainable and resilient built environment.

The RICS Sustainable Building Index is a trackable year-on-year measure uniquely placed to capture changing appetite for green buildings. The index offers valuable insights into how shifting environmental priorities are influencing the behaviour of key market participants.

The report delves deeper into which specific aspects of green buildings are particularly important to occupiers and investors. Feedback points towards a strong interest in green building certifications. This warrants a cautious approach. While these rating systems have become prominent tools for signalling an asset's environmental performance, they may not always give the full picture.

Nicholas Maclean OBE RD FRICS IRRV (Hons)
Acting RICS President

In this case, we may need more harmonisation of these frameworks to get an accurate understanding of an asset's true impact.

In addition to high upfront costs and uncertainty around long-term returns, lack of knowledge and awareness about green buildings has emerged as a significant obstacle impeding investment in sustainable assets. This raises the question of whether the full climate, environmental and social impacts of sustainable assets are consistently understood across regions.

Addressing this issue is crucial and should be prioritised by governments alongside reforming green legislation.

The report also highlights that skills gaps remain a concern for the construction industry, particularly in the context of reducing whole life carbon, minimising impact on biodiversity and embedding circular economy principles throughout the project life cycle. To help the sector meet its climate obligations, it must focus on capacity building and integrating knowledge of sustainability and climate literacy into existing professional practices.

Building on the findings of previous editions, the report emphasises that if the sector is to make meaningful progress on reducing its climate impact, measuring and reporting carbon across the whole life cycle must become standard practice.

RICS is leading in this area as we continue to drive adoption of the professional standard Whole life carbon assessment for the built environment, paving the way to visibly changing practices.

This publication not only highlights the role of credible policy interventions to help the built environment reduce its emissions and increase resilience to climate impacts but also stresses the importance of collaboration and knowledge sharing between governments, industry and professional bodies to create meaningful change.

Executive summary

The built environment sector continues to play a significant role in addressing the climate crisis, being responsible for almost 40% of global carbon emissions and consuming 40% of global raw materials.

Every year, RICS commissions research to gain an understanding of how the climate agenda is shaping trends and practices across the built and natural environment sector. More than 3,500 professionals operating across 36 countries participated in two leading market surveys – RICS' Global Commercial Property Monitor (GCPM) and Global Construction Monitor (GCM) – and these form the basis of this year's study.

The research suggests that demand growth for green buildings has slowed. This loss in momentum is mainly due to a drop in occupier and investor interest across the Americas, and seems to be in response to a change in US policy focus. However, this year's data also shows some degree of slowing demand growth in all markets apart from the Middle East and Africa.

Contributors report that green or sustainable buildings are judged to be attractive investments when they are appropriately certified and have high adaptability and resilience to the effects of climate change.

However, high initial costs, lack of evidence of a return on investment and lack of investor awareness or client demand for sustainable buildings are reported to be bigger barriers to investment than lack of incentives or building regulations are.

In construction, the sector has not progressed significantly in adopting sustainable practices, particularly in the crucial area of carbon measurement across construction projects. Around 46% of professionals operating in the construction sector state they do not measure carbon emissions. Worryingly, this share has risen in the last year, while the share reporting that they do measure has reduced.

The response on the issue of protecting biodiversity is more encouraging, with over 60% of professionals in agreement that ensuring the construction sector helps to protect biodiversity and the natural environment is a critical issue for built environment stakeholders in their region.

The sector will not be able to make meaningful progress in adopting sustainable practices without further enhancement of the skills and knowledge of professionals. This is echoed in the findings of RICS' global skills survey, which highlight the need for targeted upskilling in sustainability, digital tools and financial literacy to futureproof the profession. While there are examples of the industry making some headway in this area, greater action is needed.

In this context, regulatory policies are now more important than ever. The challenging economic landscape means that the sector will need additional help to shift priorities towards more sustainable approaches and methods. As such, government support and collaborative partnerships will be essential to address the ambitious climate goals.

Global commercial property sector

The RICS Sustainable Building Index (SBI) shows that demand growth for green buildings has moderated in the last 12 months

The SBI has a net balance reading of +30. Despite remaining in firmly positive territory, the result suggests that global demand growth for green and sustainable real estate among occupiers and investors has softened in the last 12 months (Figure 1). In this context, green and sustainable real estate is an umbrella term referring to buildings that are energy and resource efficient, have low-carbon performance and achieve high ratings in various green building certification schemes around the world.

Net balance is calculated by the proportion of respondents reporting a rise in demand minus the proportion reporting a fall. SBI is a globally weighted average of net balance figures of five regions covered in the survey: the UK, Europe, Middle East and Africa (MEA), Asia Pacific (APAC) and the Americas. Regional weights are based on the stock of commercial property across countries as estimated by LaSalle Investment Management.

The highest reading for the SBI comes from MEA, with a net balance of +52. The second largest net balance figure comes from the UK at +43, followed by Europe returning a reading of +39, and +27 in APAC. The Americas has the lowest SBI, with a net balance of +11.

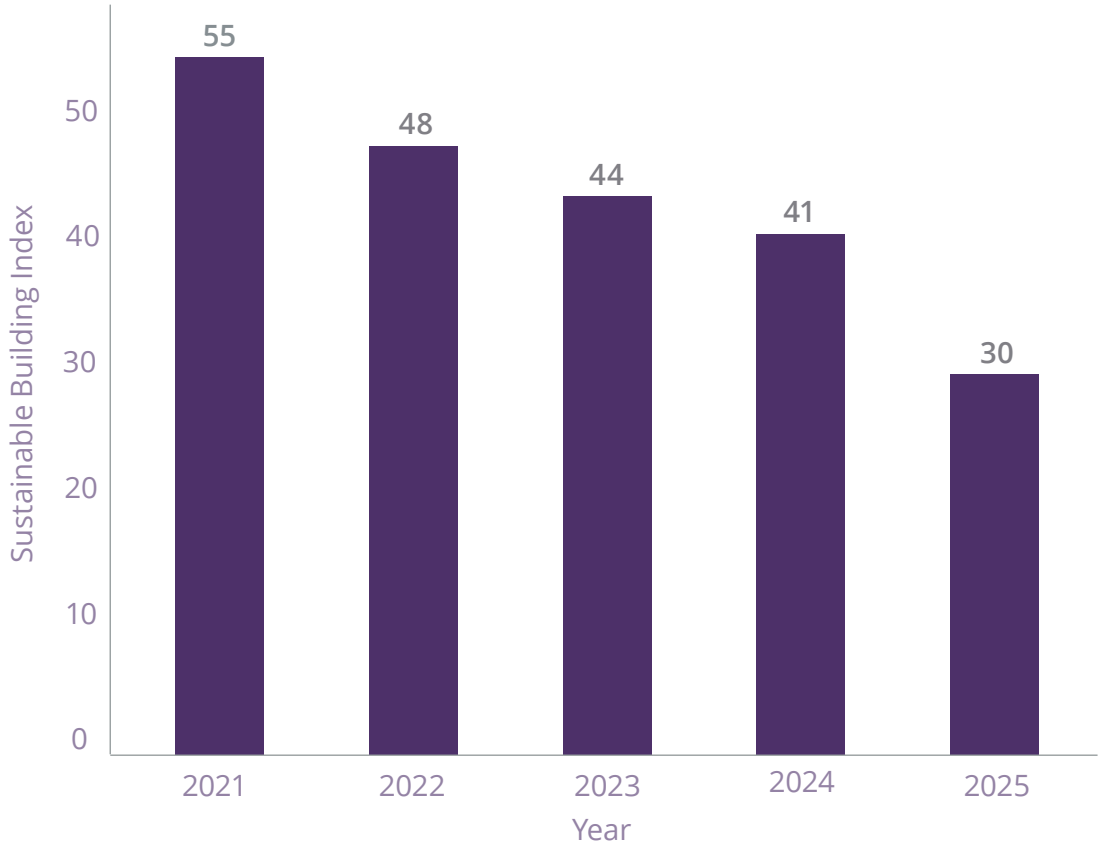


Figure 1: RICS Sustainable Building Index 2021–2025

Demand growth has dipped considerably across the Americas

The 2025 results show a dip in SBI over the last 12 months. It seems that the drop mainly stems from a notable decline in demand growth across the Americas (Figure 2). This could be a response to changing political attitudes and policy focus leading to a corresponding shift in investor and occupier preferences, alongside a weak occupier cycle across the commercial property market.

The SBI has moderated from a reading of almost +50 in 2021 in the Americas to +11 in 2025.

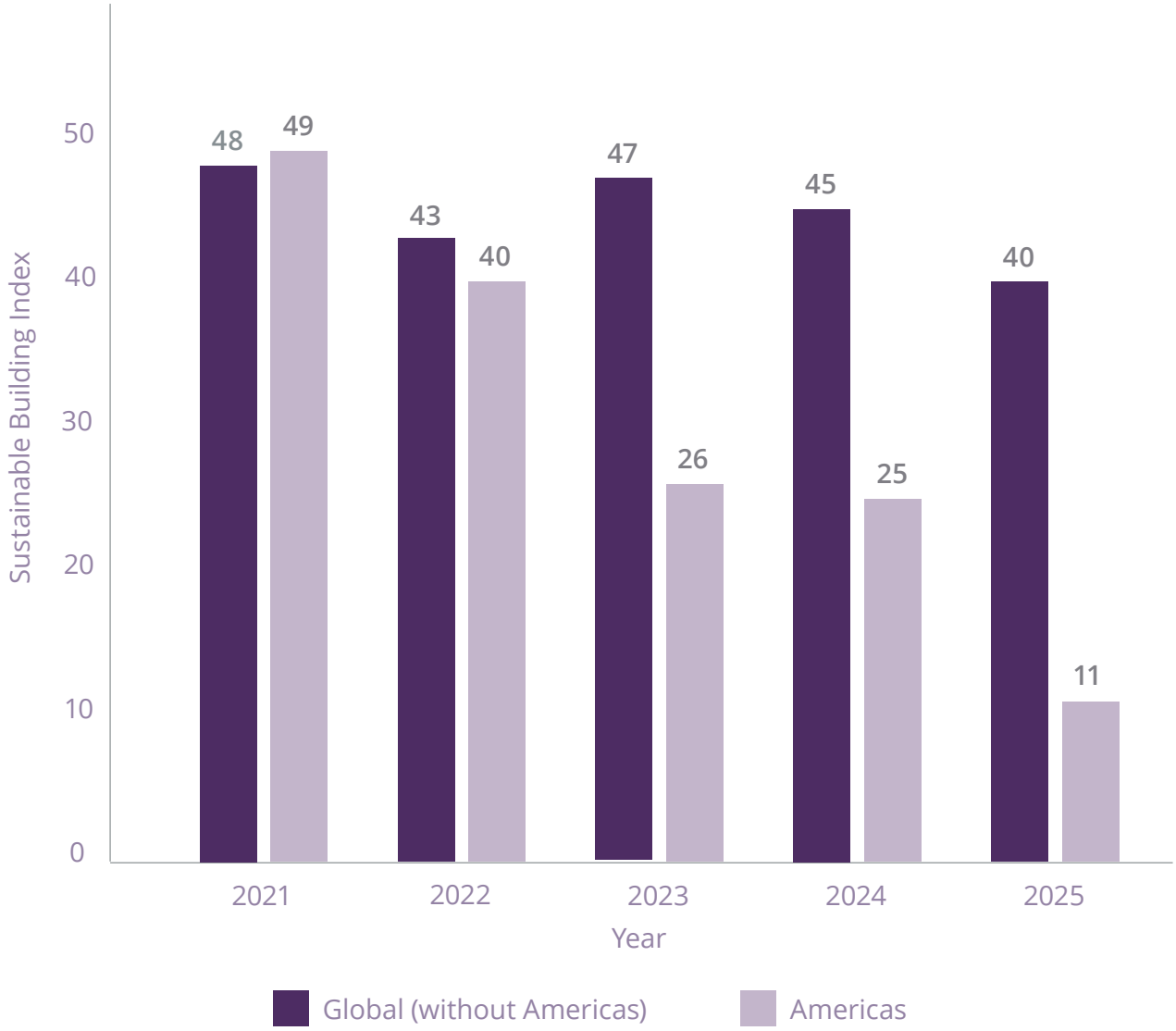


Figure 2: RICS Sustainable Building Index 2021–2025, with the figures for the Americas shown separately

Other markets also seem to have been affected by geopolitical factors (Figure 3). Data from the last five years shows that, alongside the Americas, demand growth for green and sustainable buildings has softened slightly across all global regions except MEA, particularly over the last 12 months.

Demand growth across Europe has eased considerably over the last 12 months. This comes after an exceptionally strong record in recent years, with the highest regional net balance readings between 2021 and 2024.

A similar pattern is seen in the UK, with demand growth becoming muted over the last 12 months, and also across APAC. In contrast, MEA stands as the only region to show a pick-up in demand growth over the last year.

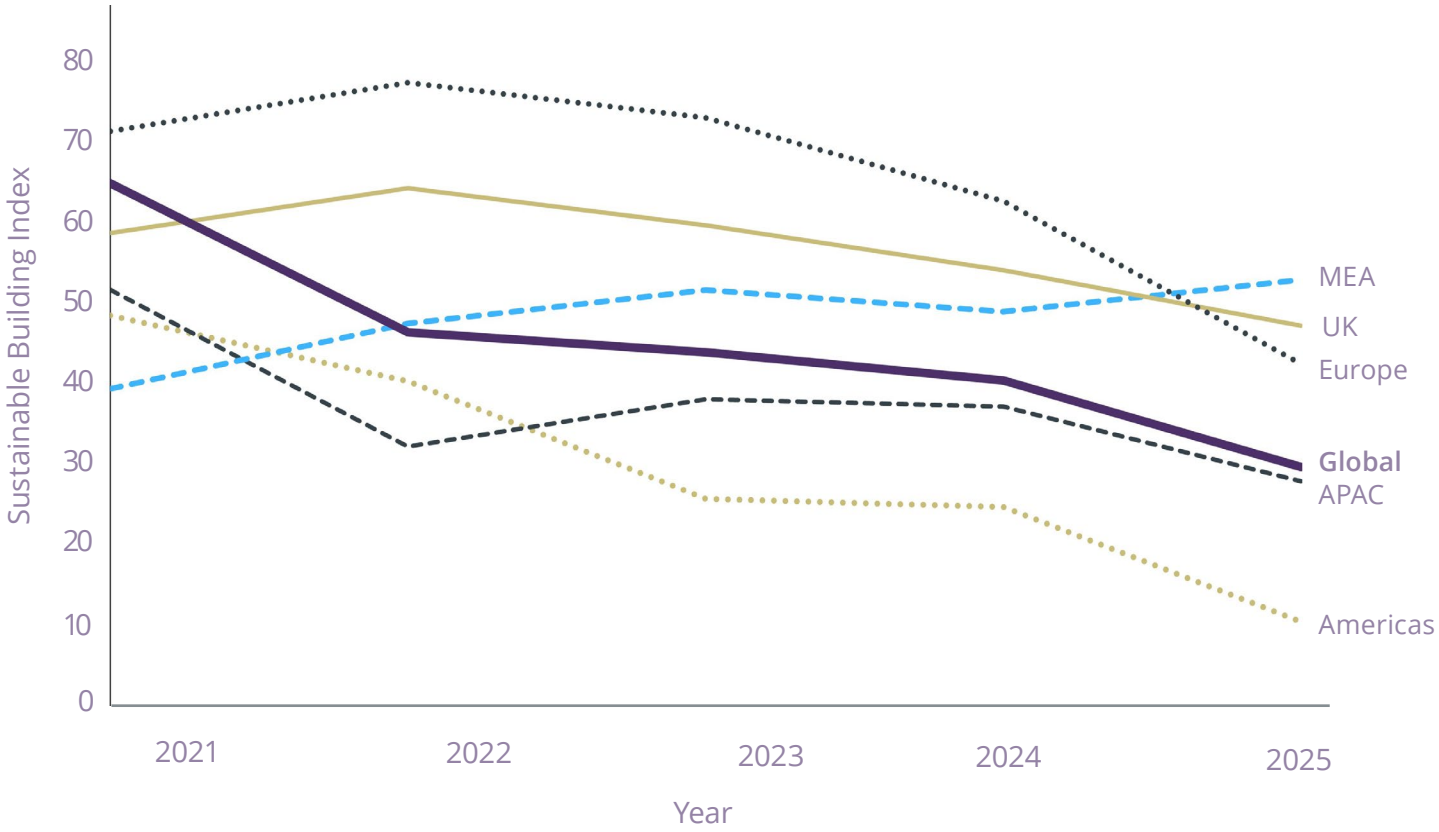


Figure 3: RICS Sustainable Building Index by region 2021–2025

Around 40% of respondents globally state that occupier and investor demand for green and sustainable buildings has risen in the past year (Figures 4 and 5). Around a third suggest that there has been a modest pick-up, while fewer than 10% see a significant rise.

Demand once again in the Americas appears to be lagging behind that in other regions. Around a quarter of contributors from the region report a modest rise in occupier demand for green buildings, 18% see a modest pick-up in investor appetite, and the share seeing a significant rise in occupier and investor demand is close to just 5%. Significantly, around 60% of respondents say there has been no change in occupier and investor appetite for green buildings over the past year.

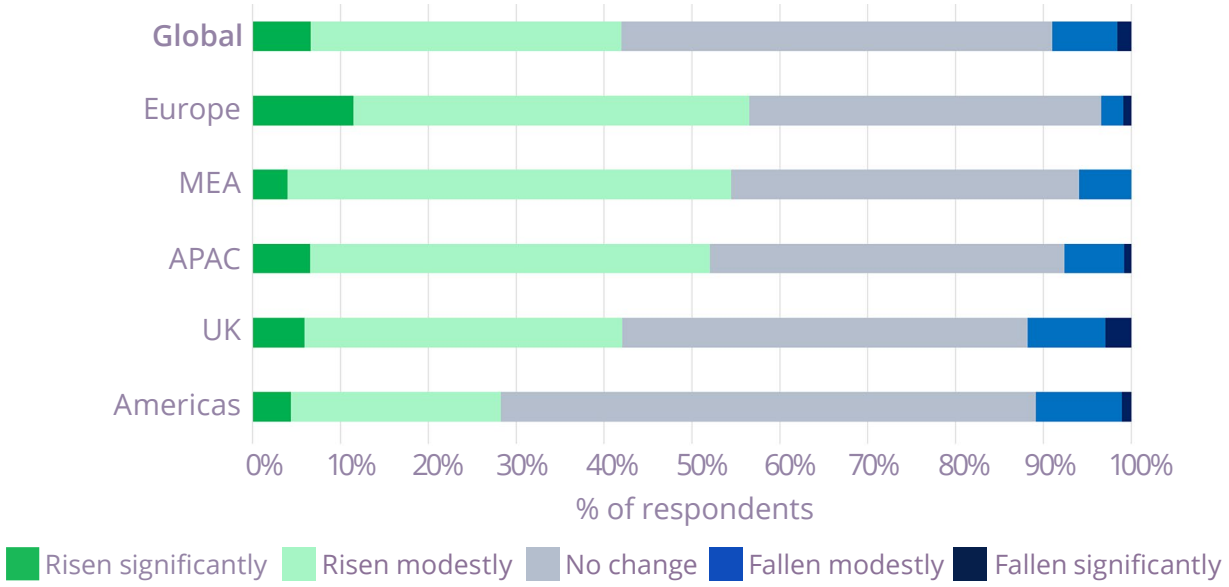


Figure 4: How has occupier demand for green buildings changed in the last 12 months?

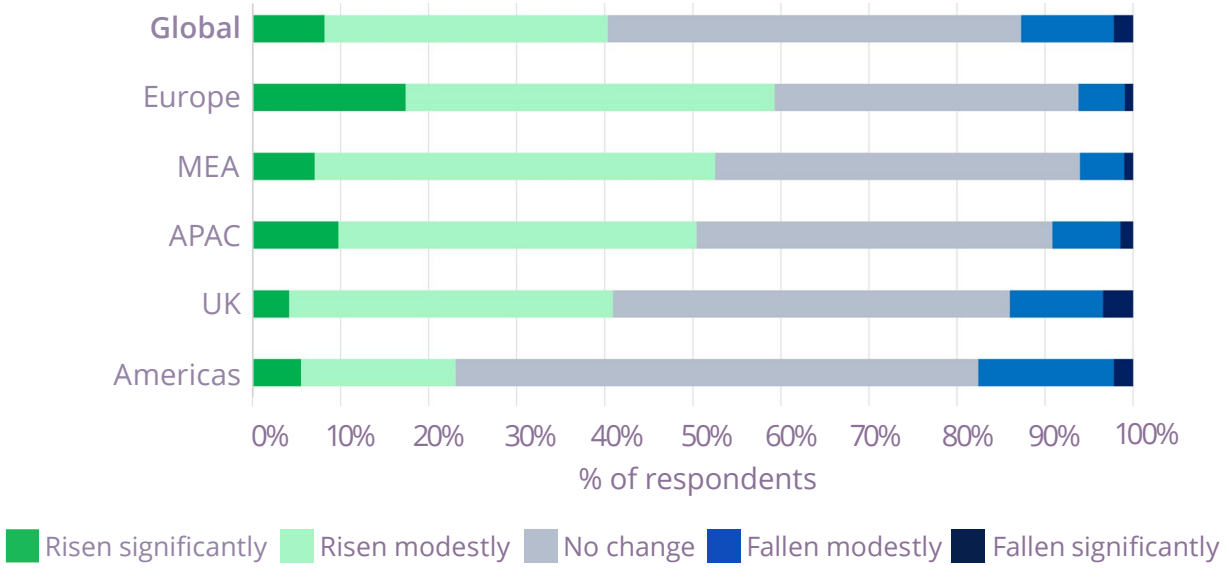


Figure 5: How has investor demand for green buildings changed in the last 12 months?

Figure 6 shows that the share of respondents noticing an increase in investor demand for green real estate has steadily moderated in the last five years. At the same time, the share of contributors pointing to no change in investor appetite has risen. This could be the result of subdued activity in the commercial real estate market towards the end of last year. However, there have been signs of a recovery more recently.

In addition, rising costs of climate risk, tougher regulations and movement towards sustainable building practices will increasingly impact the building sector. In turn, green buildings are likely to be increasingly sought after, as implementing decarbonisation and adaptation strategies remains a critical objective in the built environment.

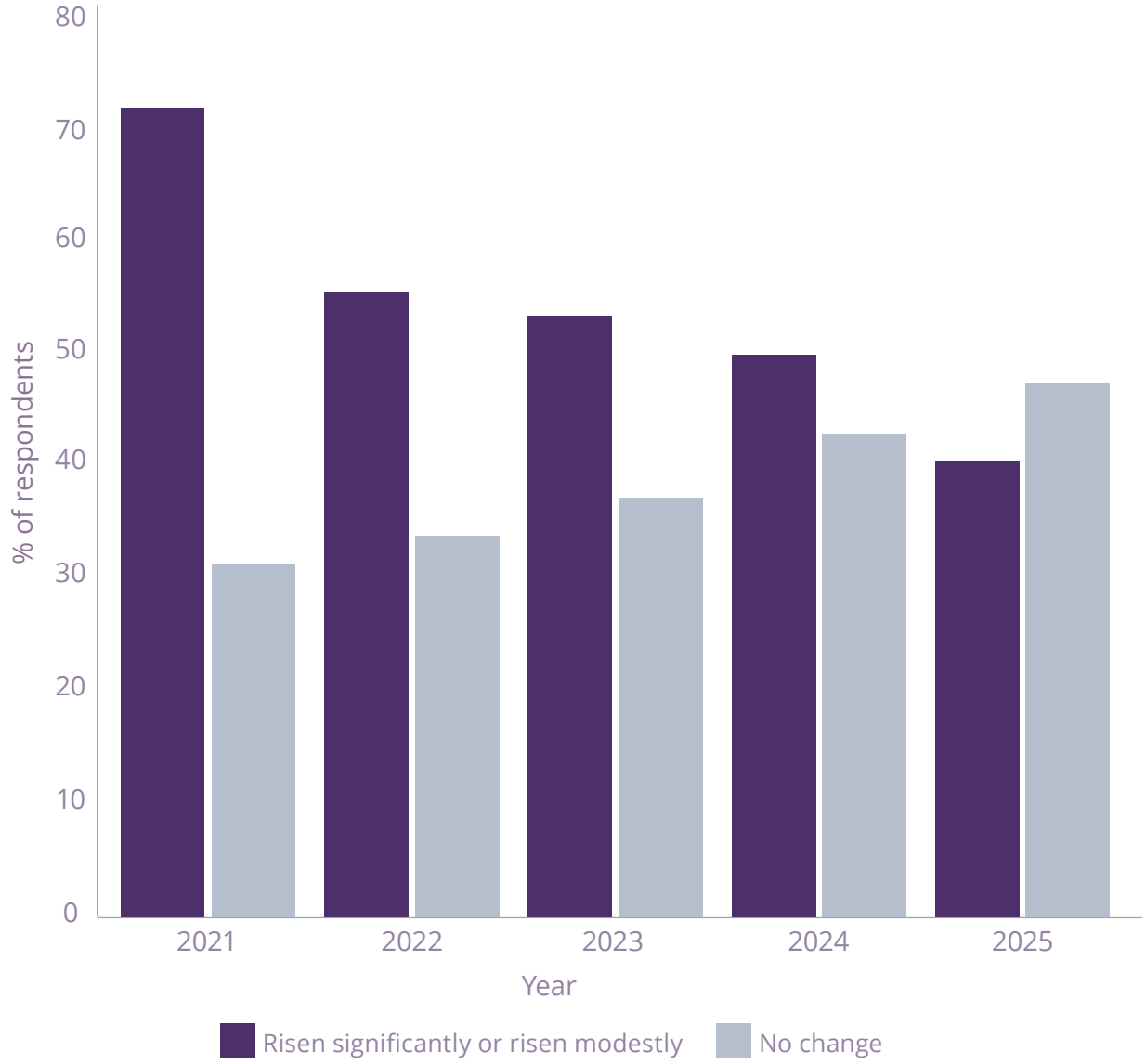


Figure 6: Share of respondents globally stating that investor demand for green buildings had risen or remained unchanged over the preceding 12 months, 2021–2025

High adaptability and resilience to climate impacts along with green certification top the list of sustainability features for investors

To determine the highest priorities for occupiers and investors when considering green buildings, professionals were asked to select which three aspects of a green building they felt were most important (Figure 7).

Green building certification and high adaptability and resilience are reported to be the most important features of a sustainable building for investors (valued by 86% and 78% of contributors, respectively). This is unsurprising, as certification frameworks are becoming more widespread as a tool to verify a building's performance from an environmental and sustainability perspective.

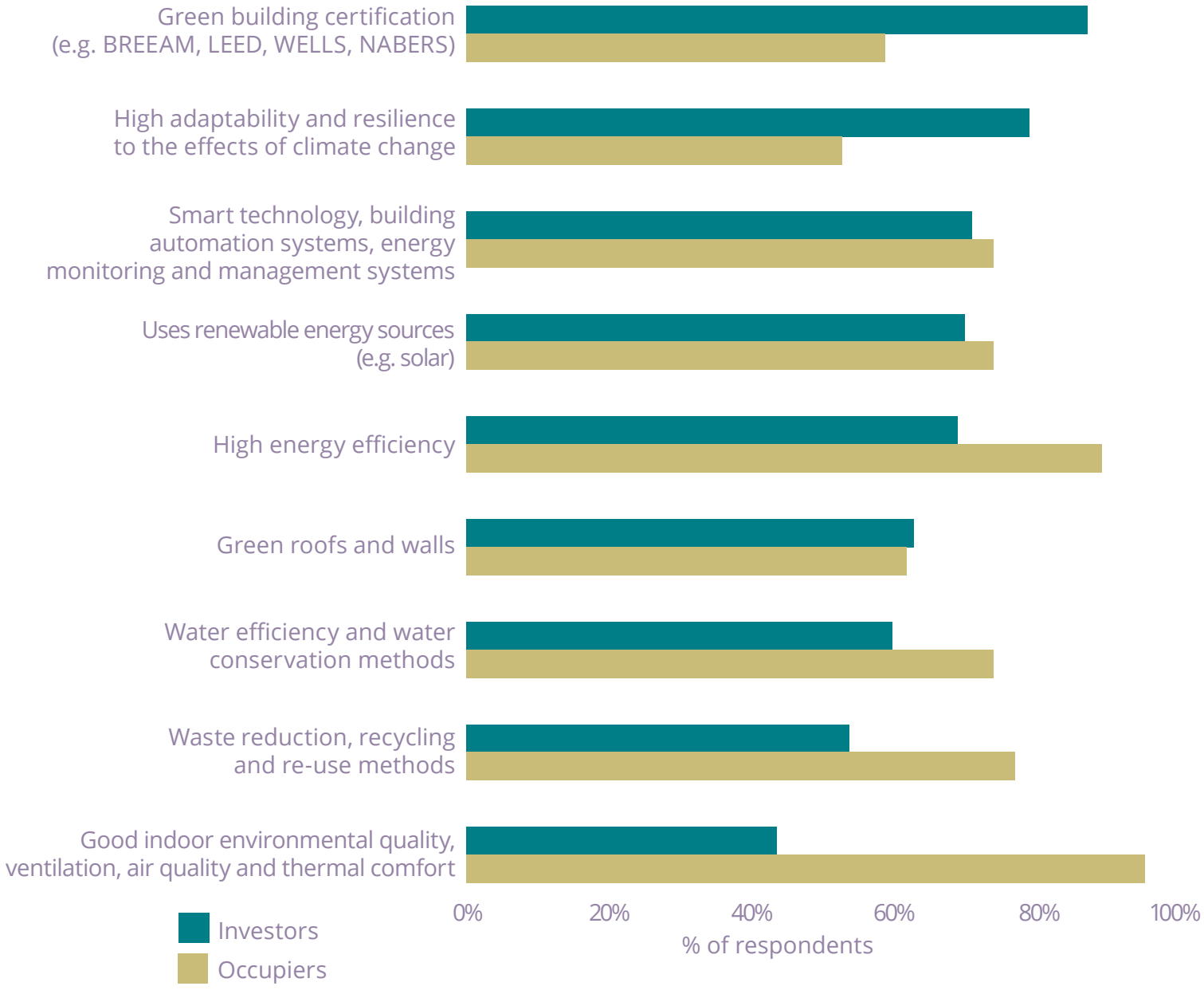


Figure 7: In the area you operate in, what are the most important features of a green building for occupiers and investors?

In addition, adapting buildings to climate change is becoming increasingly crucial due to the rise in extreme weather events and to avoid climate-related stranded assets.

In comparison, indoor environmental quality and circular economy practices such as waste reduction, recycling and re-use are at the bottom of the list of concerns for investors (cited by 43% and 53% of global respondents respectively), possibly because these features have limited recognition in environmental, social and governance (ESG) frameworks and have gained less public traction until now.

Occupiers, on the other hand, place significantly greater importance on building performance, with 94% prioritising indoor environmental quality and 88% valuing energy efficiency. These are both notably higher than investor priorities (Figure 7). This reflects the direct impact of these features on the experience of building users and managers, as well as on operational costs.

Water conservation (73%) and circular economy (76%) are also more important to occupiers than investors, suggesting that tenant expectations may be driving demand for more sustainable operations beyond energy use. In clear contrast to the preferences of investors, green building certification and adaptability and resilience are the least valued features among occupiers (58% and 52%, respectively). While certificates are designed to demonstrate building quality to potential occupiers, and lack of adaptation measures can potentially limit the usability of buildings, these results may simply indicate that the preferences of occupiers gravitate towards features with more direct impact on daily operations, such as energy efficiency.

Regional results are broadly in line with the global picture. However, there are a few notable exceptions.

- The share of contributors suggesting that circular practices such as waste reduction, recycling and re-use are an important feature for occupiers is significantly higher in the UK (88%) than in any other region (68–75%).

- Across the Americas, a much lower share of respondents (57%) believe occupiers place importance on the use of renewable energy than in other regions (70–77%).

- Water efficiency and conservation methods are reportedly more valued by both occupiers and investors based in MEA than in any other region covered in the survey.

High costs and lack of clarity on returns are key obstacles to investment

High initial costs are the most commonly cited barrier preventing investment in green buildings across all regions (Figure 8). This is consistent with previous findings and reflects ongoing concerns about the affordability of sustainable practices. A substantial share of respondents (35–46%) also point to the lack of evidence of return on investment or insufficient data around the benefits of acquiring green buildings as a key obstacle.

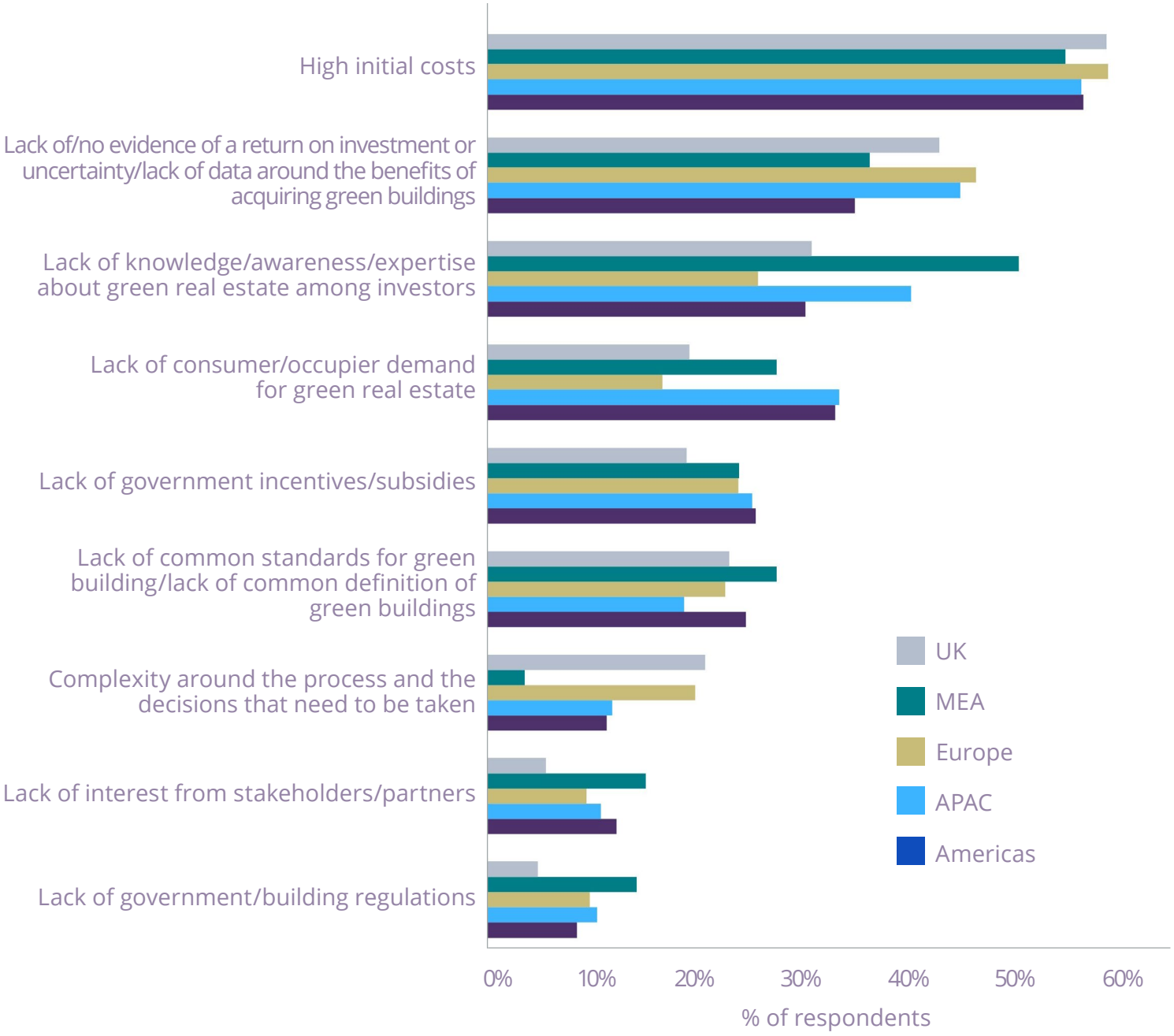


Figure 8: In the area you operate in, what are the principal barriers inhibiting investors from acquiring green/sustainable buildings?

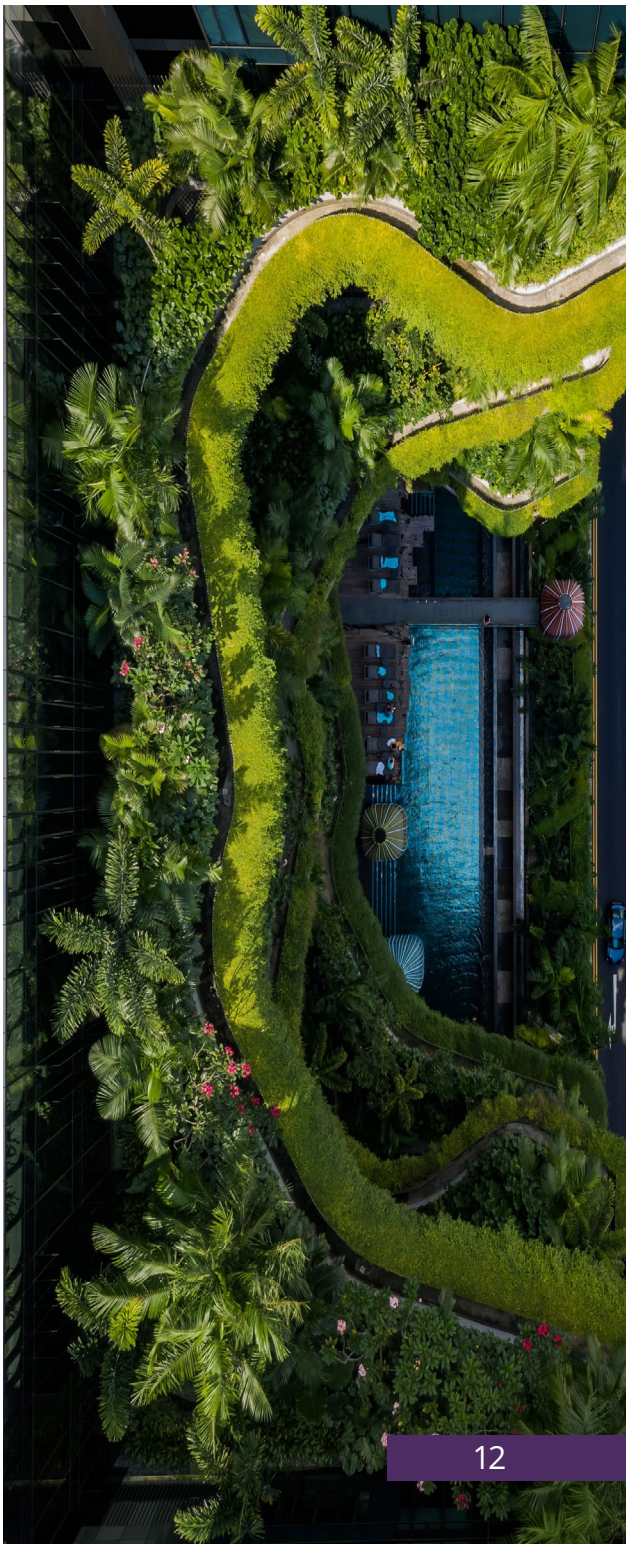
Investor knowledge gaps are another significant challenge, especially across MEA, where half of respondents indicate that a lack of awareness and expertise among investors is a key barrier. This issue is also flagged by 40% of respondents in APAC and 30% in both the UK and the Americas, while Europe is lowest at 25%. This could reflect the impact that European regulations on sustainable investment and non-financial disclosures have had on the market.

Interestingly, lack of consumer and occupier demand is considered more significant in APAC and the Americas, and to a lesser extent in MEA, in comparison to Europe and the UK. This may indicate lower market maturity or limited awareness of sustainability benefits among end users in these regions.

Around one-quarter of respondents consider the lack of government incentives or subsidies to be a principal obstacle. This is consistent across all regions except the UK, where the share is slightly lower. Lack of standards and definitions is also considered to be a more relevant barrier in MEA countries than in other regions.

While they rank low in comparison to other factors, responses about the complexity of the process and decision-making show interesting differences between regions. Europe and the UK seem to suffer from this obstacle more than APAC, Americas and, especially, MEA. Sustainable investment legislation, particularly across the UK and Europe, is continuing to evolve at pace, and this could be making it difficult for investors to navigate and keep up with the latest developments.

Lack of interest from stakeholders and lack of regulation overall are the least important factors across all regions. However, the regional breakdown of the responses indicates these factors to be still somewhat relevant in MEA (around 14%) but clearly minor in the UK (around 4%).



Majority of stakeholders recognise the importance of climate resilience

Across all regions surveyed, there is agreement that adaptation and resilience are considered critical by built environment stakeholders, but the strength of conviction appears to vary (Figure 9). Moreover, around one-fifth of respondents in all regions disagree either strongly or moderately, which indicates that there is still a significant proportion of stakeholders in the buildings sector who may not be aware of the risks brought about by the changing climate or who do not believe it to be a critical issue.

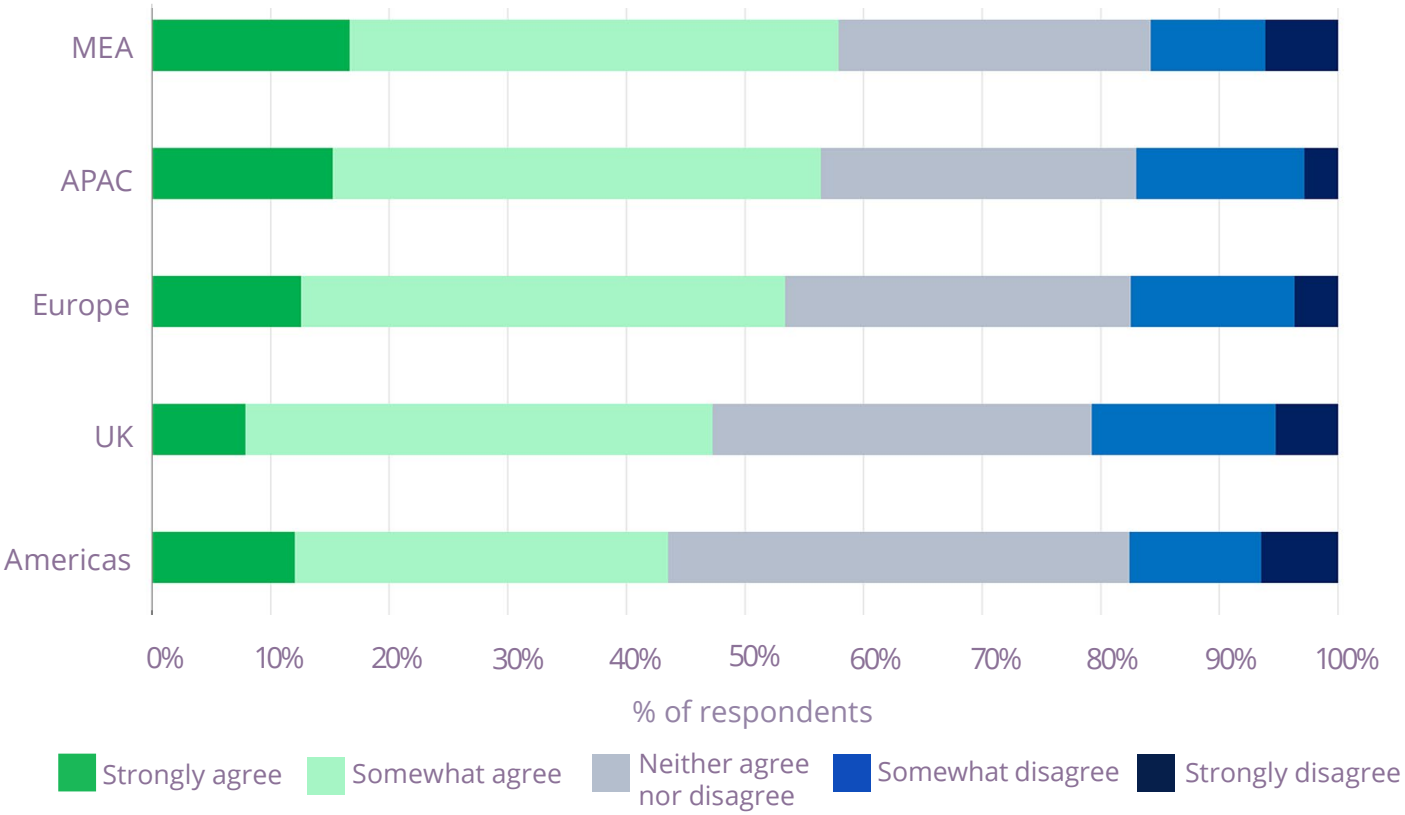


Figure 9: To what extent do you agree with the following statement? In my region, adapting buildings to the changing climate and increasing resilience of buildings to extreme climate events is considered critical by built environment stakeholders

MEA and APAC countries stand out, with higher shares of respondents indicating stronger or moderate agreement. This may reflect the heightened exposure of these regions to climate risks such as drought, heatwaves and water scarcity, which are increasingly influencing built environment priorities. A significant proportion of contributors in Europe also agree that adaptation and resilience is seen as critical by stakeholders.

The share in this category is lower across the UK and the Americas (below 50%). The UK Green Building Council's climate resilience roadmap helps to pinpoint the long-term climate risks that could affect the built environment sector and sets out critical actions and considerations for industry stakeholders. In addition, the IFC 's Building Resilience Index helps to identify natural hazards and vulnerabilities based on the location and design of buildings and suggests resilience measures to mitigate risks.

Operational energy and carbon are critical issues

A significant share of respondents agree that energy efficiency and low operational carbon are crucial issues for built environment stakeholders (see Figure 10). The proportion of contributors stating this to be the case is broadly similar across the regions, with some variations in Europe and MEA. In MEA, there is a significantly higher proportion of respondents who strongly agree, although the combined share of contributors in strong and moderate agreement is similar in the UK, APAC and the Americas (between 56% and 60%).

Europe stands out as the region with the highest overall agreement (67%). The higher awareness of European stakeholders may be a consequence of the impact that EU regulation of energy efficiency and carbon has had on the market, primarily through the Energy Performance of Buildings Directive (EPBD) but also through the EU taxonomy for sustainable activities and the EU Emissions Trading System (ETS). It may also reflect rising concerns about energy costs and security.

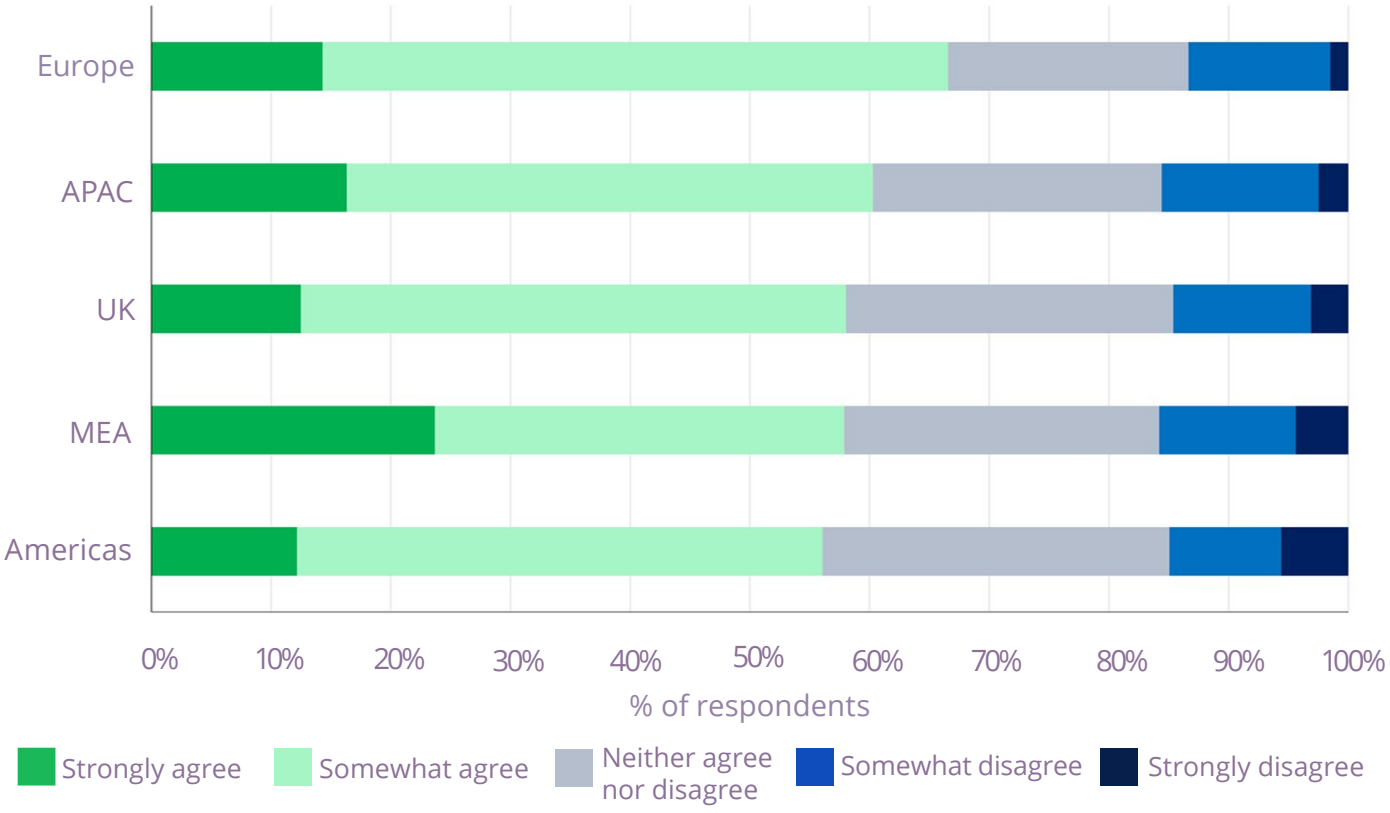


Figure 10: To what extent do you agree with the following statement? In my region, ensuring buildings are highly energy efficient and have very low operational carbon is a critical issue for built environment stakeholders

Global construction sector

Reducing waste and lowering carbon emissions are seen as the top priorities globally, although sustainability concerns vary across regions

Around 46% of construction professionals globally name decreasing waste, using sustainable and low-carbon materials as one of the industry's biggest concerns. Close to 42% see reducing embodied and operational carbon as a key priority. More than one-third see promoting renewable energy resources as a major issue. Embedding circular economy practices and improving air quality are considered to be least critical (Figure 11).

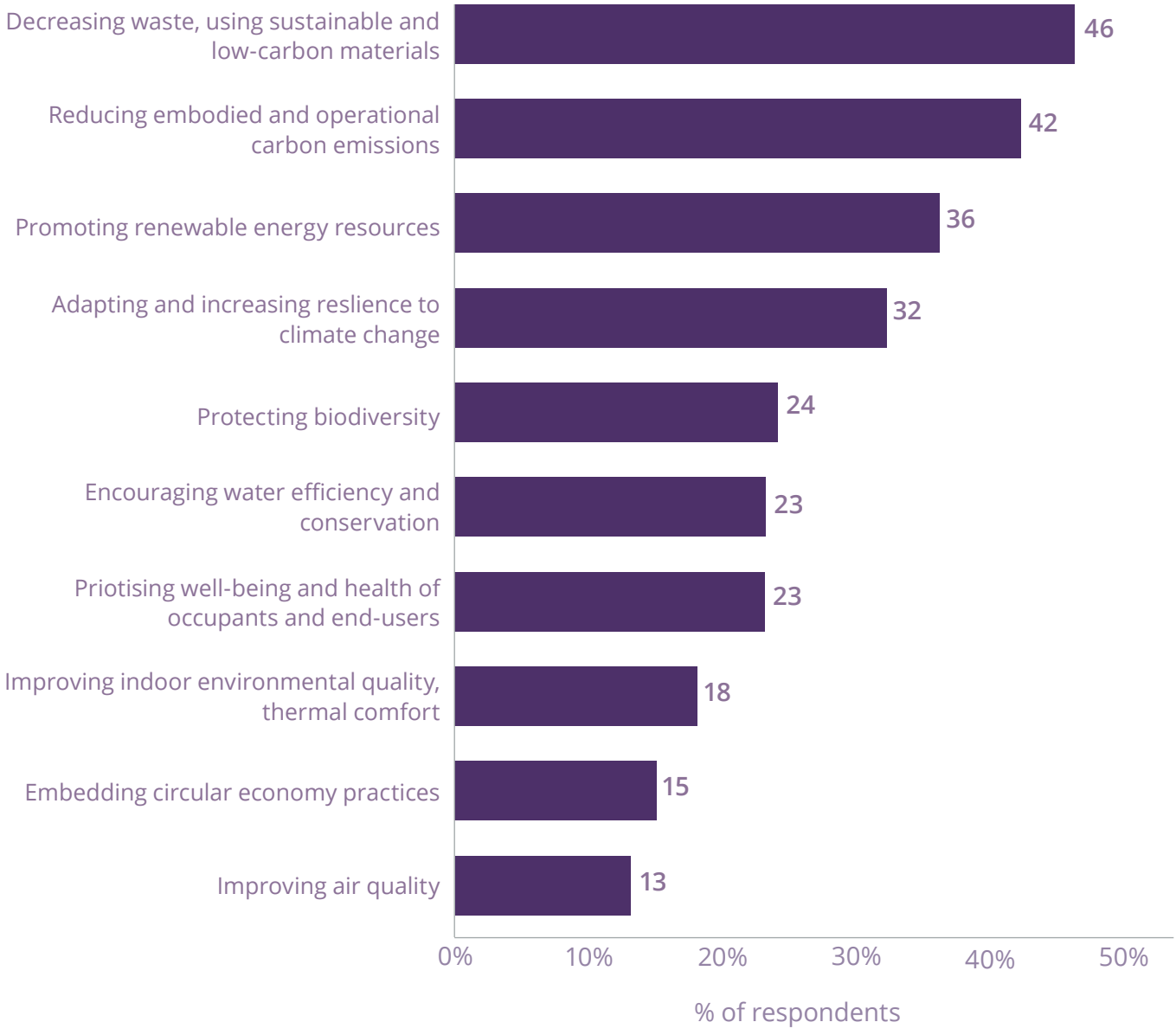
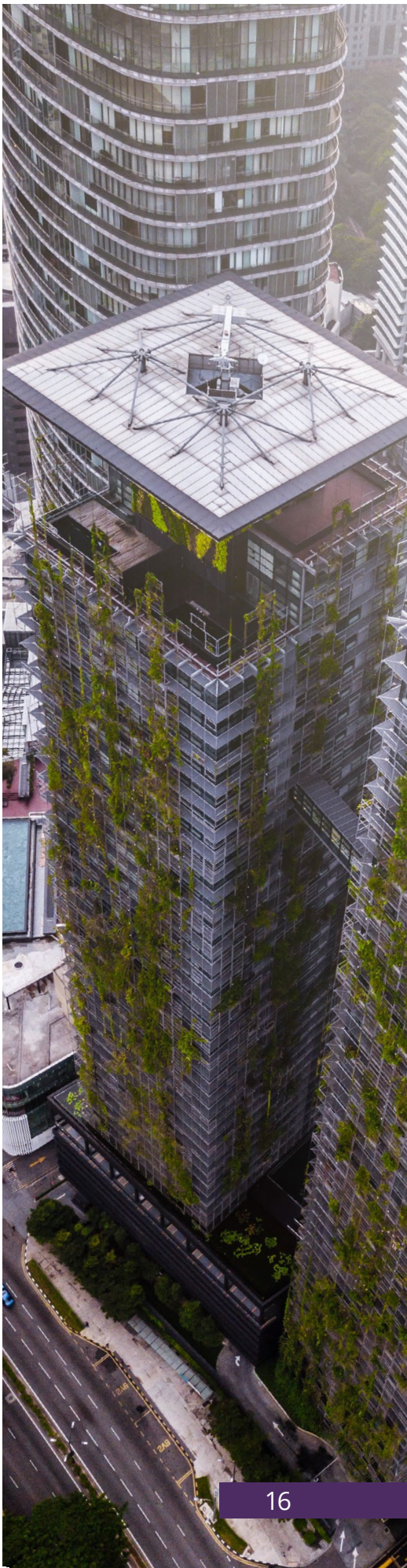


Figure 11: In the area you operate in, what do you think are the top three most critical sustainability issues across the built environment that need to be addressed?

However, priorities vary across regions (Table 1), in particular the following.

- There is a strong emphasis on decreasing waste, using sustainable and low-carbon materials in APAC and MEA, with around 50% of respondents saying this is a crucial issue.
- Promoting renewable energy resources is reportedly of great importance in the UK. With around 45% of respondents seeing this as a key concern, this is a notably higher share than the global average (36%).
- Water efficiency and conservation also score relatively high on the list but are seen as more of a critical issue in MEA (35%) and in Europe (27%).
- As far as climate adaptation is concerned, there are large differences across regions: it is seen as the most critical issue in the Americas (42%) but appears to be much less relevant in MEA (21%), with the other regions sitting in between these extremes.
- Protecting biodiversity scores relatively high on the list across all regions covered in the survey.
- Circular economy practices are perceived as more critical in Europe (24% of respondents) in comparison to the other regions (varying from 19% to 15%).
- Responses on the issue of the well-being/health of occupants indicate that this is considered a fairly high priority in the Americas, APAC and the UK, with the share of respondents noting it to be a key issue ranging from 24% to 28%. However, it appears to be less of a concern in Europe (17%) and MEA (13%).
- Indoor environmental quality and thermal comfort have relatively low priority across all regions. Only 13% of professionals globally point towards air quality as a priority, although the share is higher across MEA and the Americas, at 19% and 16% respectively.



Region	Top three issues	% of respondents
Americas	Adapting and increasing resilience to climate change	42%
	Decreasing waste, using sustainable and low-carbon materials	40%
	Promoting renewable energy resources	35%
APAC	Decreasing waste, using sustainable and low-carbon materials	50%
	Reducing embodied and operational carbon emissions	46%
	Promoting renewable energy resources	35%
Europe	Decreasing waste, using sustainable and low-carbon materials	44%
	Reducing embodied and operational carbon emissions	42%
	Promoting renewable energy resources	36%
MEA	Decreasing waste, using sustainable and low-carbon materials	49%
	Promoting renewable energy resources	39%
	Reducing embodied and operational carbon emissions	37%
UK	Decreasing waste, using sustainable and low-carbon materials	46%
	Promoting renewable energy resources	45%
	Reducing embodied and operational carbon emissions	42%

Table 1: Respondents' top three critical sustainability issues in the built environment that need to be addressed, by region

Contributors recognise protection of biodiversity and the natural environment as important challenges for the sector, in some regions more than others

A significant proportion of construction sector professionals agree that the protection of biodiversity and the natural environment is a critical issue in their region. The combined share of professionals stating they strongly or somewhat agree exceeded 60% in all regions covered in the survey (Figure 12).

Across the Americas and MEA, more than a quarter of survey respondents strongly agree that protection of biodiversity and natural environment is a critical issue, surpassing all other regions.

In this case, Europe has the lowest proportion of contributors who strongly agree on the issue of protecting biodiversity and the natural environment (19%) and the highest level of disagreement, with 15% of professionals selecting the 'strongly disagree' or 'somewhat disagree' categories. The UK and Europe also recorded relatively high levels of neutrality compared to other regions, suggesting a more cautious or uncertain stance among respondents in these markets.

However, the overall picture is of a broadly positive sentiment, with 65% agreement at the global level and only 11% disagreement.

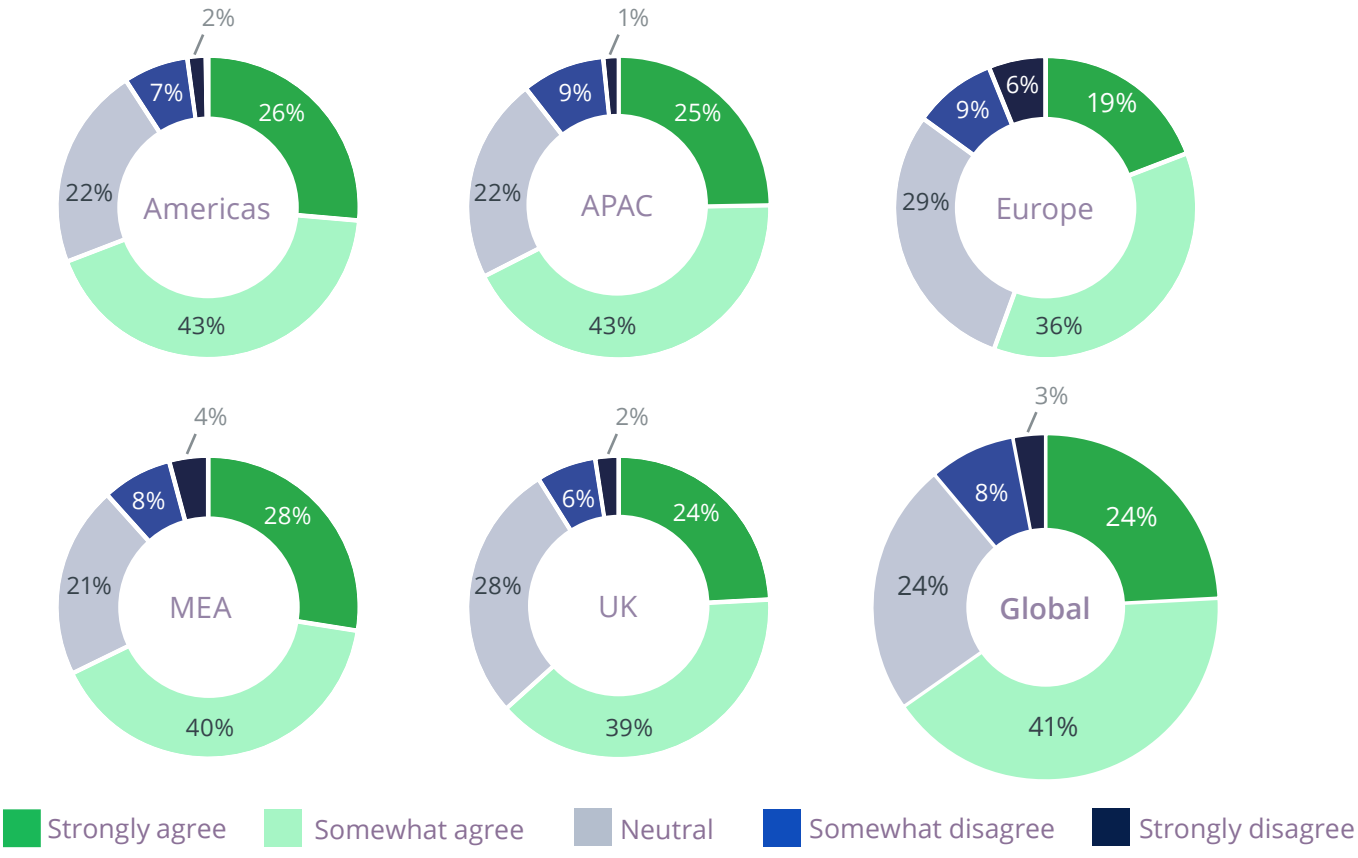


Figure 12: To what extent do you agree with the following statement? In my region, ensuring the construction sector helps to protect biodiversity and the natural environment is a critical issue for built environment stakeholders

Policy is driving decarbonisation in construction

Contributors believe that policy is steering the construction sector towards carbon reductions in all regions (Figure 13). A significant share of respondents consider it to be having a 'modest impact' (ranging from 35% in MEA to almost 50% in Europe). That said, the share considering legislation to have a high impact is reasonably low, at less than 20% across all areas.

Around 28% see policies as having a low impact in the Americas. Interestingly, the share taking this view is higher in MEA and APAC (around 34%). Those who believe policy to have 'no impact at all' are a clear minority (from 7% in UK to 14% in MEA). MEA appears to be the region with the least confidence in the effectiveness of policy, since it shows the lowest share of combined responses 'high impact' and 'modest impact' (52%), and also has the highest share of 'no impact' responses.

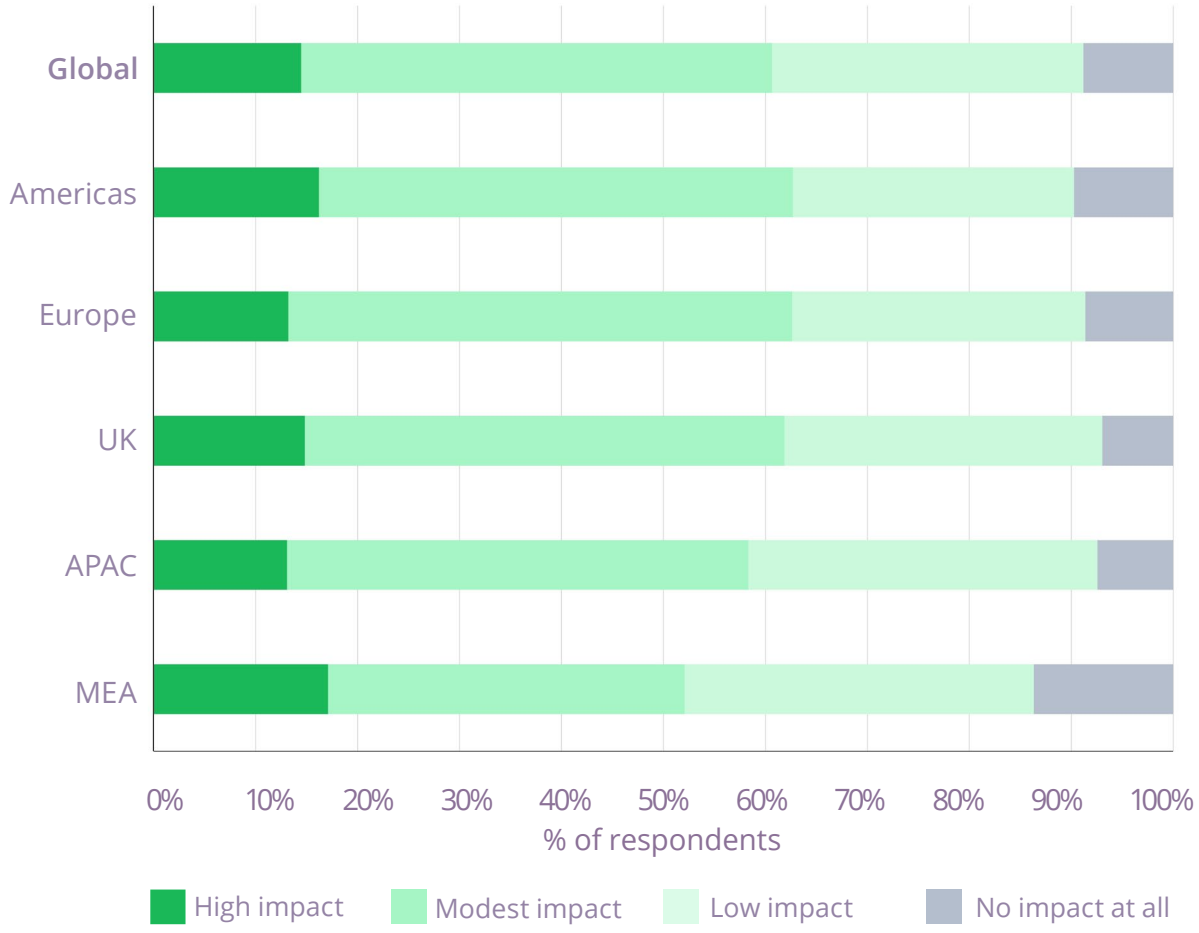


Figure 13: In the area you operate in, to what extent are government policies and regulations steering the construction sector towards reducing its carbon emissions?

Sustainability practices are limited throughout the industry

Feedback suggests that sustainable practices are not yet fully embedded across the industry. Arguably, the practices that seem to be becoming more integrated are data-sharing, waste reduction and resource efficiency, with around 40% of professionals globally reporting that they are being carried out in all or most construction projects (Figure 14).

That said, a significant share (around one-quarter) believe that these practices are limited to less than half of their projects. Assessments of adaptability and resilience, and carbon footprint calculations seem to be even less common, with more than one-quarter of global respondents stating that these practices are carried out only in a minority of projects and around one-third stating that they are not carried out at all.

The regional breakdown does not significantly alter this picture but shows some notable differences.

- APAC and MEA appear to have a higher uptake of data-sharing and waste reduction and resource efficiency in comparison to the other regions.
- Assessments of adaptability and resilience are particularly lacking in Europe and the UK.

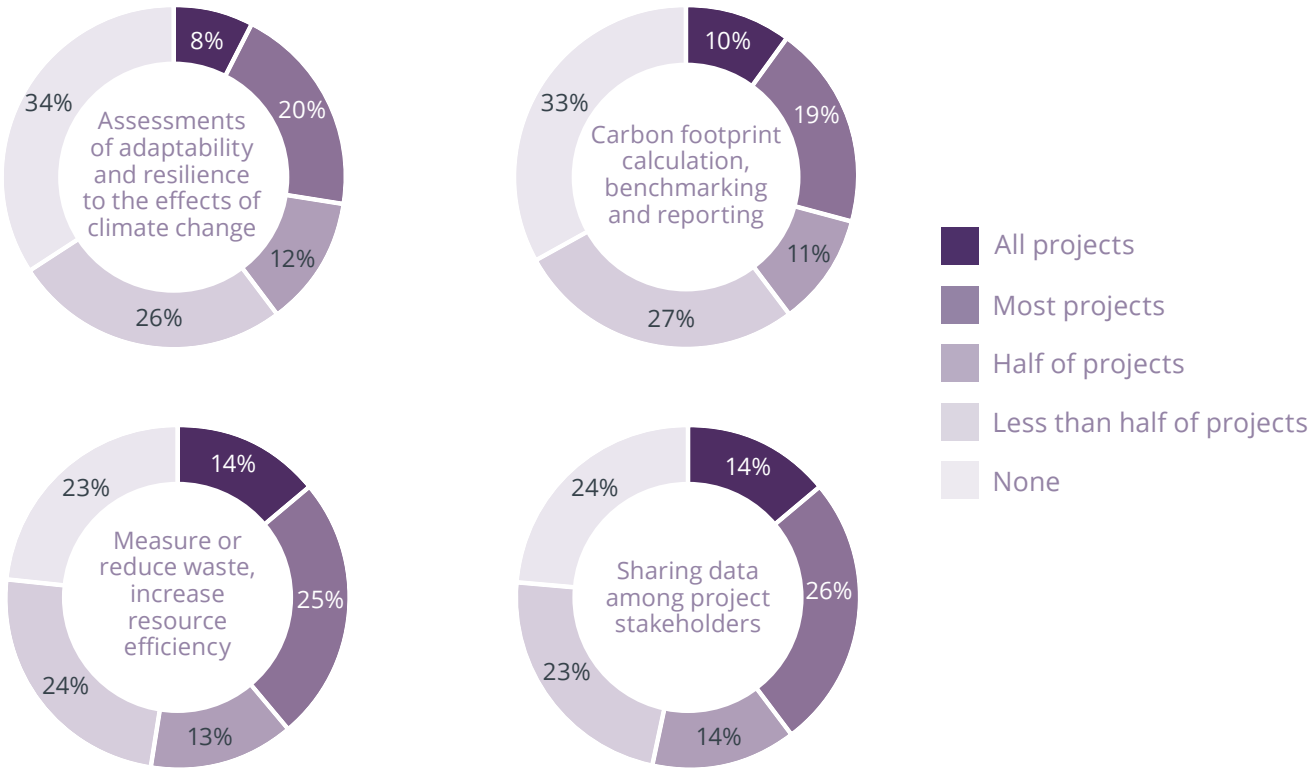


Figure 14: Across your organisation, to what extent are processes being used to track the following construction practices?

Despite some encouraging signs, there is room for improvement in knowledge of sustainable construction

More than 70% of construction professionals globally believe that they have sufficient knowledge about sustainable construction practices and methods (Figure 15). Still, a significantly higher proportion of respondents select 'yes, somewhat' (55%) compared with those selecting 'yes, definitely' (17%). RICS' Surveying skills report reveals notable gaps in technical expertise and commercial skills among newer entrants. Upskilling remains a critical issue to ensure competence aligns with sustainability goals.

Meanwhile, feedback from MEA points towards a high share of confident responses. Just over a quarter of professionals from the region selected 'yes, definitely', the highest regional share in this category, especially in comparison to the UK where this confidence is at its lowest share (8%).

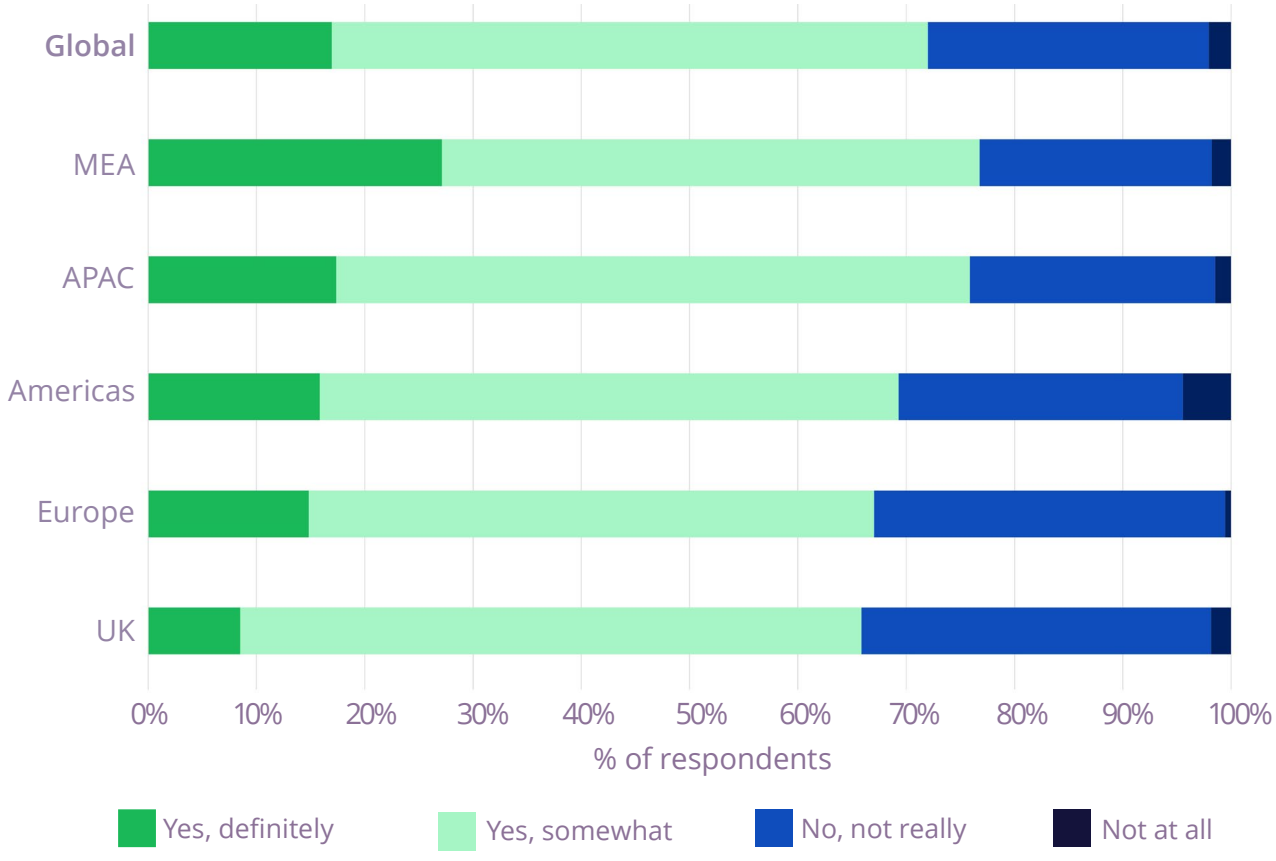


Figure 15: Do you believe you have sufficient knowledge about sustainable construction practices/methods?

Examining more closely to what degree professionals are familiar with specific sustainable methods, practices linked to energy efficiency and renewables were at the top of the list.

Around 22% of survey contributors globally believe that built environment professionals are very familiar with methods and practices related to energy efficiency and renewables (Figure 16). The share of professionals taking this view is higher in Europe and the UK (at around 25%).

At the other end of the scale, feedback suggests that professionals are unaccustomed to circular economy practices, with around 40% of global respondents indicating only a slight familiarity with these methods and around a quarter pointing to no familiarity at all.

Water efficiency/conservation and the minimisation of biodiversity impact are the practices that show the most variations between regions. Familiarity with water efficiency and conservation is reportedly the highest in MEA and the lowest in Europe, with their combined share of 'very familiar' or 'moderately familiar' at 67% and 51%, respectively. Biodiversity impact seems to be more understood in the Americas, MEA and the UK (with a combined share of 'very familiar' or 'moderately familiar' of over 50%) than in Europe and APAC (shares standing close to 40%).

Levels of familiarity with the use of sustainable and low-carbon materials are quite similar across the regions, with the combined shares for 'very familiar' and 'moderately familiar' ranging between 51% and 59%.

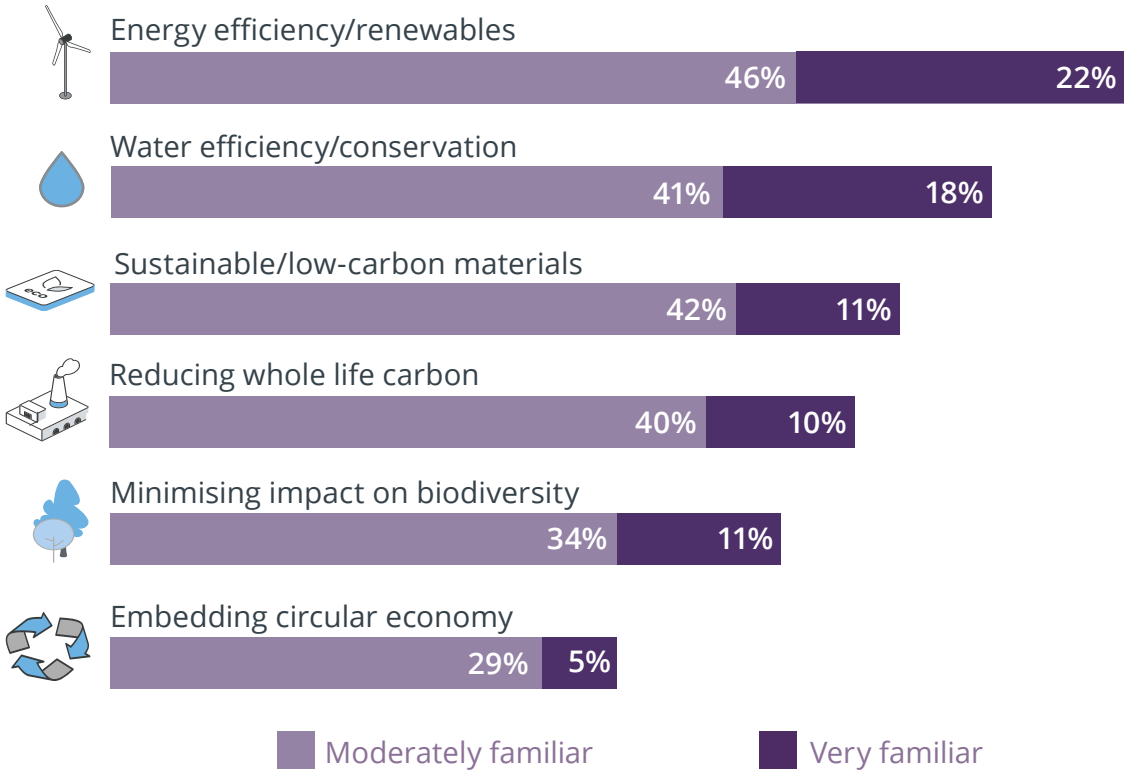


Figure 16: In the area you operate in, to what extent are construction professionals familiar with the following sustainable construction practices/methods?

Feedback suggests that further advancements are needed across the industry on the issue of reducing carbon emissions (see Figure 17). Only 10% of global survey contributors suggest that professionals are very familiar with practices of reducing whole life carbon. Around 40% state that professionals are moderately familiar. However, the share reporting only slight familiarity is equally substantial.

The results paint a concerning picture given that almost 40% of global carbon emissions come from the construction and operation of the built environment. The UN's Global status report for buildings and construction 2024/25 highlights that the building sector is still not on track to lower its emissions and achieve net-zero carbon by 2050.

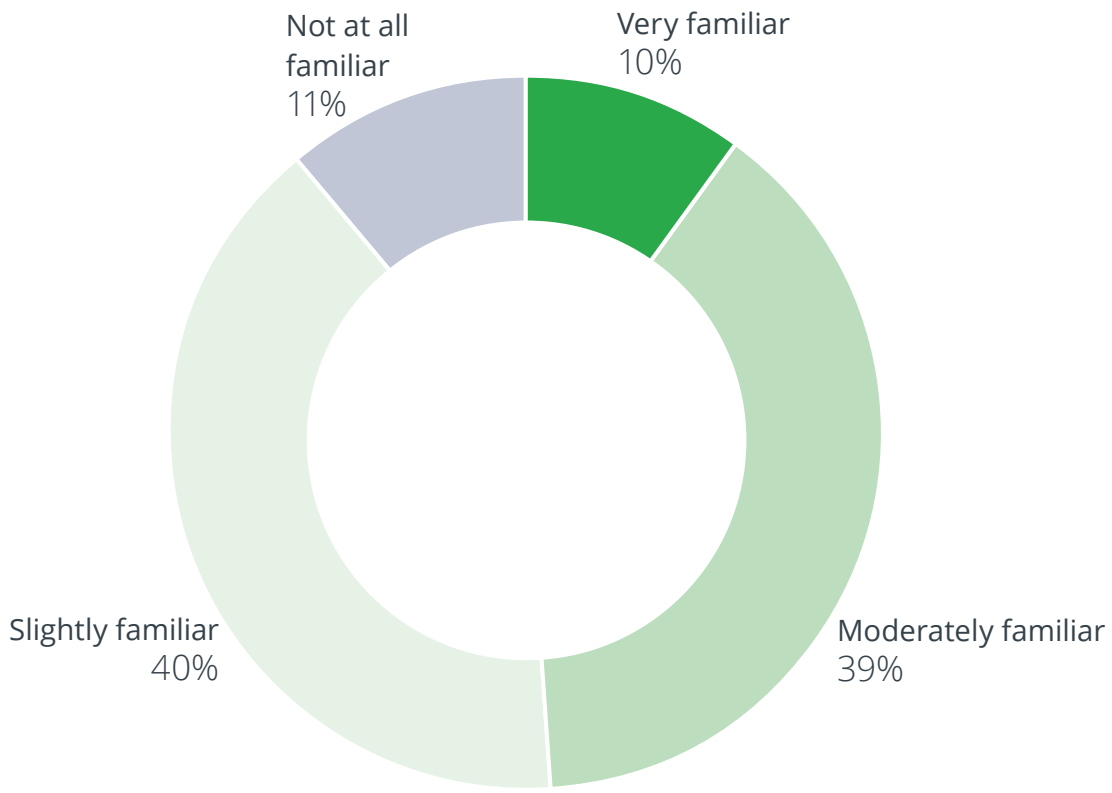


Figure 17: In the area you operate in, to what extent are construction professionals familiar with construction practices related to reducing whole life carbon?

A significant share of professionals are not measuring embodied carbon emissions

Around 46% of construction professionals report that they do not measure carbon across projects (Figure 18). Only around 16% of global contributors state that they do measure carbon and that this affects their choice of materials and components. The share of professionals reporting this to be the case has not changed meaningfully since 2021. This lack of measurement may reflect a broader skills gap. RICS' Surveying skills report indicates that professionals are eager to develop competencies in sustainability and are seeking training pathways.

Crucially, the share reporting that they do not measure carbon has risen over the last 12 months, while the share stating that they do has correspondingly reduced. Around 18% state they would like to measure carbon if there was a standard approach to doing so. This share has declined since 2023.

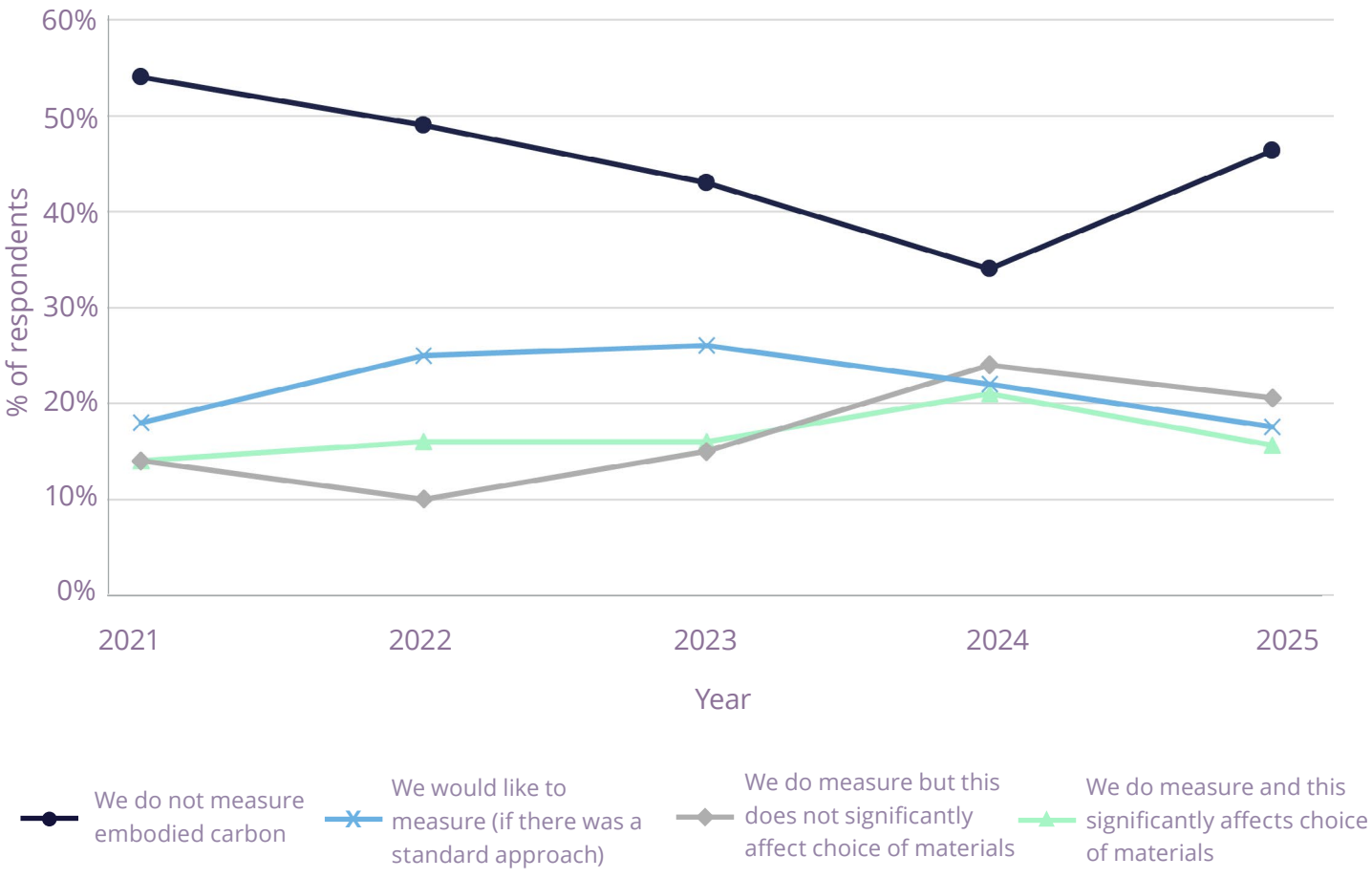


Figure 18: Currently, do you measure embodied carbon emissions on your projects and, if so, how significantly does this affect the choice of materials, systems and components?

The regional results are similar to the global picture. Across all regions, only around 13–16% of respondents measure carbon and use this to inform decisions about materials (Figure 19). The share that state they do measure it but without significant consequences on design choices is slightly larger (ranging from 18% to 23%).

However, a substantial proportion of respondents across all regions state that they do not measure embodied carbon. The share for this category in APAC is slightly lower (at around 41%) but around 50% or over in all other areas.

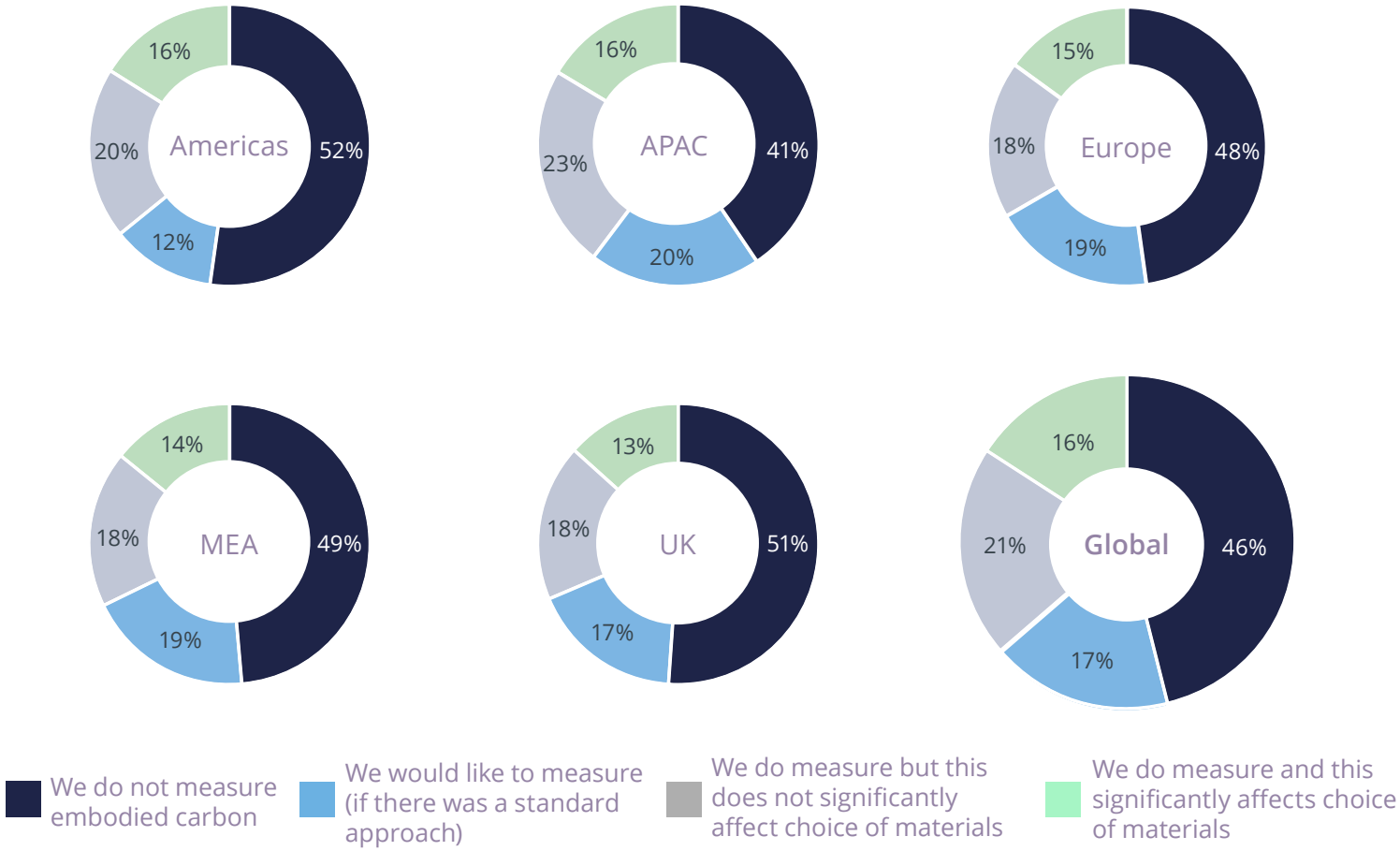


Figure 19: Regional results: Currently, do you measure embodied carbon emissions on your projects and, if so, how significantly does this affect the choice of materials, systems and components?

Around 40% of respondents globally agree that professionals operating across the construction industry have sufficient knowledge and skills to work towards reducing embodied carbon emissions (Figure 20). That said, around 30% disagree with this statement.

In the UK, the combined responses for agreement ('strongly agree' and 'somewhat agree') are the lowest (28%), followed closely by Europe (32%).

The results are at odds with calls for accurate and consistent measurement and reporting of embodied carbon to achieve climate goals. All stakeholders across the built environment industry should be working towards this goal. The World Green Building Council (WorldGBC) has highlighted there is an urgent need to make significant progress on this issue, with collaboration across the whole value chain necessary to tackle the problem.

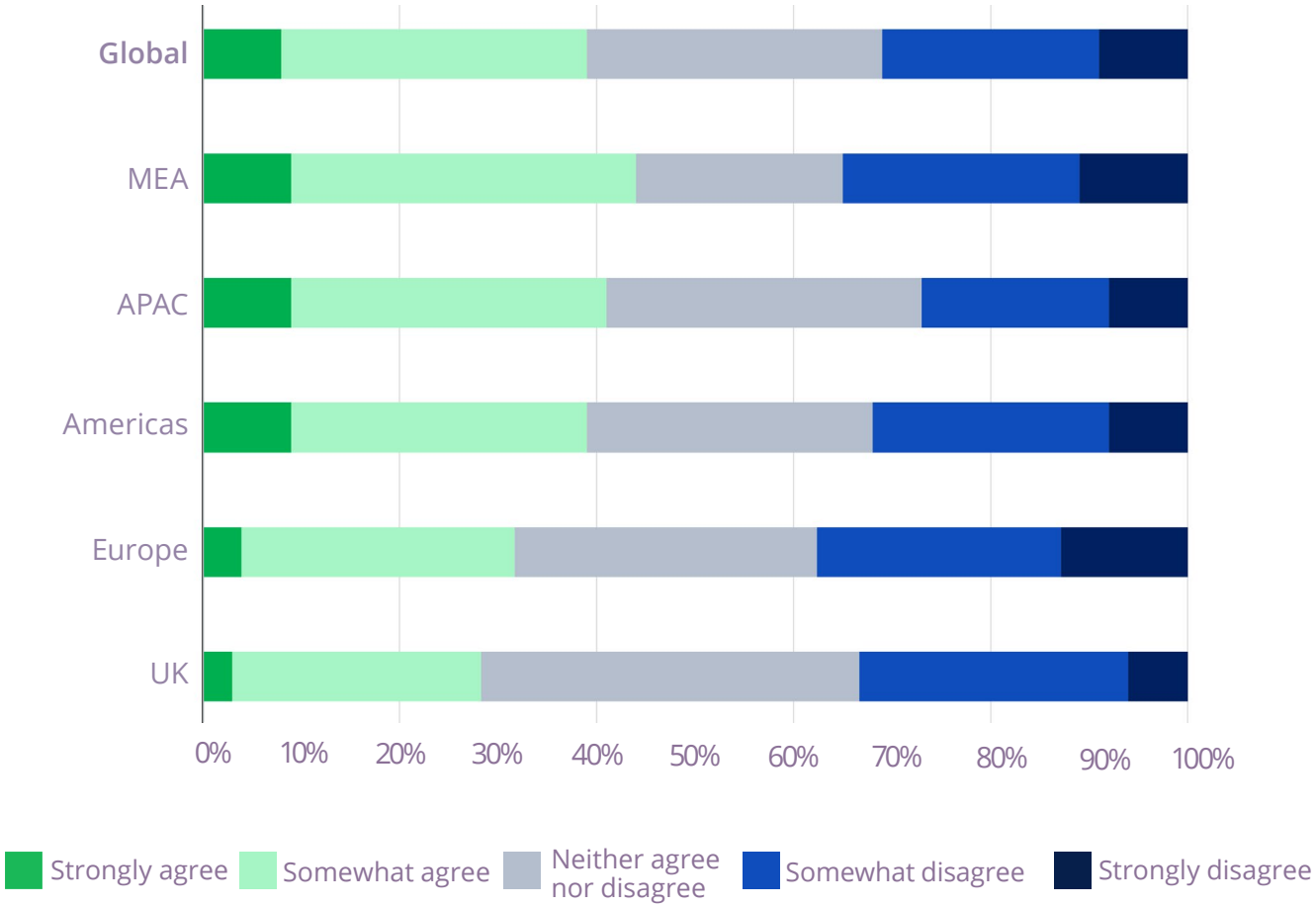


Figure 20: To what extent do you agree with the following statement? In my region, construction professionals have sufficient skills and training to work towards reducing embodied carbon emissions across projects.

Conclusions

The 2025 survey results reflect distinct differences in the desired characteristics of green and sustainable buildings between regions

Notable regional differences in the desired characteristics of green and sustainable buildings reflect the varying ways climate change is putting pressure on national resources and infrastructure around the world. For instance, water efficiency and conservation are more highly valued in MEA, while circular practices and waste reduction, recycling and re-use are more prominent in the UK.

MEA and APAC, two global regions that are most exposed to some of the greatest shocks and stressors resulting from climate change, are also the regions where building adaptation and resilience to climate change are perceived to be the most critical.

Green building certification and high adaptability to climate impacts is more particularly valued across Europe. This could reflect the impact that building and financial regulations such as the Energy Performance of Buildings Directive (EPBD), the EU taxonomy for sustainable activities and the EU Emissions Trading System (ETS) are having on the sector.

High energy efficiency in buildings appeals to occupiers in all regions, no doubt due to the implications of operating costs and operational carbon, a factor that companies are more frequently electing or being required to report on.

Construction professionals recognise critical sustainable building challenges, but these priorities are not always reflected in practice

Professionals working in the construction sector selected reducing waste and whole life carbon on projects, as well as improving renewable energy and adaptation and resilience to climate change, as the most critical issues for the built environment sector to address.

Correspondingly, processes to measure or reduce waste (and increase resource efficiency) are reported to be among the most frequently undertaken on construction projects, likely a result of the co-benefits these practices can bring to reduce costs and increase value.

While carbon measurement and adaptability and resilience were listed among the most critical factors for sustainability by construction sector professionals, 60% of global respondents say their organisation tracks these factors on either none or less than half of its construction projects.

Recommendations

Policymakers should focus on accelerating production and implementation of mandatory building regulations to limit energy use and emissions in new and existing buildings, with limits on emissions aligned to national decarbonisation pathways

The built and natural environment sectors should pay attention to critical sustainability-related issues. This report finds some progress has been made, but much still needs to be done to address wide-ranging issues affecting social, environmental and economic outcomes. The building sector is still not on track to meet its climate obligations, and building codes and regulations are crucial in advancing decarbonisation.

It is essential that measuring and reporting carbon emissions across the whole life cycle of construction projects becomes common practice. There is little evidence to suggest that the sector has made progress in this area, with a significant share of professionals over the last five years stating that they do not measure embodied carbon across projects.

Standards and tools developed by industry bodies that can help

- The current edition of RICS' Whole life carbon assessment for the built environment provides a global methodology for measuring whole life carbon emissions of new and existing built assets. This professional standard focuses on embodied carbon as well as operational and user carbon, providing a comprehensive and consistent approach for accurate carbon measurement and decision making.
- The International Cost Management Standard (ICMS 3) also provides a framework to report carbon emissions alongside construction costs, helping professionals analyse the trade-offs between the total costs of projects and the costs of reducing carbon.
- The Built Environment Carbon Database (BECD) is an online repository for all building-related carbon information. The database hosts product-level data as well as the results of building-level assessments. This data can be shared in a transparent way and can be used to inform future carbon assessments and policy.

Development of knowledge and skills linked to sustainable practices is essential

The sector cannot meet its climate targets without overcoming skill shortages across the industry. To put things into perspective, the Construction Industry Training Board (CITB) estimates that 350,000 new construction roles are needed in the UK alone to help meet national net-zero targets. The report also states that future demand for key skills will need to be continually re-evaluated and adapted to support lifelong learning so that workers can easily retrain and upskill as demands evolve.

Various essential training pathways are outlined by the Prism Sustainability directory, with the analysis also stressing that lack of focus on green building practices is slowing down progress towards a sustainable built environment.

The feedback reported in the Global construction sector section of this report echoes these findings, with professionals highlighting that there is substantial room for improvement around skills and training, particularly for reducing embodied carbon across projects.

Professionals across the industry should develop their knowledge of net-zero strategies and best practices. This is reinforced by RICS' Surveying skills report 2025 and Capacity building playbook for a sustainable built and natural environment.

There is a need to embed sustainable practices and climate literacy within professional qualification and assessment requirements.

The industry does appear to be making some headway in this area, and RICS has developed further guidance on implementing the whole life carbon assessment (WLCA) standard, introducing additional support programmes such as the Global introduction to whole life carbon assessment web class.

Global collaboration is needed to create universal definitions and principles for zero-emission and resilient buildings

Some steps have been taken to drive further collaboration between industry stakeholders. Through the Buildings breakthrough initiative, 28 countries and the European Commission have come together to work towards ensuring that near-zero emission and resilient buildings become the new normal by 2030. Capacity building and skills development are key parts of this agenda, while development of common guidelines, codes and standards is another priority action. RICS is working towards addressing both areas.

The Intergovernmental Council for Buildings and Climate (ICBC) is also an important framework for bringing together governments to collaborate on accelerating decarbonisation and resilience in the building sector, aligning national actions with international climate goals.

The International Energy Agency (IEA) reports that only moderate progress has been made through international collaboration to achieve the aims of the Breakthrough initiative. The analysis emphasised that governments should agree on universal definitions and principles for near-zero emission and resilient buildings. Common guidelines for codes and standards should be developed based on these principles. Another key recommendation is that countries should use existing networks and partnerships to identify and address capacity-building gaps across regions.

Mobilising green investments is crucial to achieving climate goals

The survey results presented here have once again reiterated that high initial costs are a key obstacle preventing investment in green buildings. The UN's Global status report for buildings and construction 2024/25 also points out that global investment focused on green building initiatives has fallen.

There are some government programmes underway, such as the European Commission's Recovery and Resilience Facility, a €650bn fund created to help member countries develop green initiatives, including energy-efficient building renovations. The city of Beijing has also launched an Incentive Fund for Green Building Development to finance energy conservation renovation of buildings.

Still, the scale of investment is below the sector's needs. Governments should collaborate to increase financial assistance, focusing on policies and regulations that reduce private investment risk and build capacity for banks and lenders.

Policy recommendations

There are six priority actions that governments should focus on to help the built environment sector meet its climate targets.

- ### Define decarbonisation and resilience pathways

  Establish evidence-based national targets focusing on decarbonising and enhancing resilience of the built environment sector. Design a roadmap that outlines the path towards these objectives and determine key priorities for the sector and its stakeholders over the short and medium term.

- ### Promote and mandate assessment and reporting

  Make carbon assessment and reporting mandatory for all construction projects, based on global standards such as the current edition of RICS' Whole life carbon assessment for the built environment and ICMS 3 to allow for a consistent approach. This should be supported by unified definitions and a harmonised global framework for measuring and reporting life cycle emissions of buildings.

- ### Set performance thresholds for emissions

  Set limits on both embodied and operational emissions for buildings and infrastructure, targeting advancement of circular economy practices and use of low-carbon materials.

- ### Mobilise financial mechanisms for energy-efficient retrofits

  Build investment and financial schemes focusing on improving the energy efficiency of existing buildings. Incentives and subsidies will be needed to ease financial constraints and reduce initial costs to drive further investment towards greener buildings and infrastructure.

- ### Strengthen international collaboration and capacity building

  Strengthen collaboration, partnerships and participation in international initiatives focusing on decarbonisation of the sector. These should focus on closing key information and data gaps and identifying critical obstacles the sector is facing in the green transition. Development of skills and knowledge of professionals operating across the sector should also be a principal objective.

- ### Scale up biodiversity and ecosystem protection measures

  Enhance national legislations to stop biodiversity loss and scale up biodiversity assessments across projects. Establish standardised measurements techniques and approaches to ensure that biodiversity impacts are consistently measured and reported.

Delivering confidence

We are RICS. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

We inspire professionalism, advance knowledge and support our members across global markets to make an effective contribution for the benefit of society. We independently regulate our members in the management of land, real estate, construction and infrastructure. Our work with others supports their professional practice and pioneers a natural and built environment that is sustainable, resilient and inclusive for all.

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