

ENVIRONMENTAL IMPACT REPORT 2022



CHRISTIE'S

FOREWORD

APRIL 2023

The United Nations has described the 2020s as the ‘decade of ambitious action’, and in this spirit, as Christie’s maintains its leadership role in the Art Market, we are forging a path for sustainability in collaboration with key industry stakeholders. We continue to leverage our partnerships with the Gallery Climate Coalition (GCC) as well as our suppliers to support both cross-industry initiatives and our own sustainability journey.

We have set ambitious decarbonisation targets, validated by the Science Based Targets initiative (SBTi), and made a strong start on our journey to achieving these. In 2022 we did see an increase in emissions as business activities normalised post-pandemic, but the direction of our trend line is downwards and, as we further embed sustainability into our business strategies and operations, we will continue to decouple our growth from our carbon impact. Christie’s ongoing strategy emphasises value over volume and within our SBTi boundary, this focus has resulted in a 2% reduction in emissions intensity per dollar of lots sold compared to 2021.

We expect technology to be a key enabler for future carbon reductions across our operations, assisted both by policies that require our technology partners to demonstrate progress on their own carbon reduction plans and by more sophisticated measurement of related emissions. In parallel, we continue to improve and expand sustainability actions and policies across all operational functions, from business-related travel to shipping and packaging.

Our goals are ambitious and success is not easy, but we are well placed to make continuing progress. Transparency will remain a key factor in our approach and we hope that continuing to share our learnings will bring benefit to others.



BEN GORE
Christie's Chief Operating Officer

Cover
Bidding for a Greener Future:
Property Sold to Benefit ClientEarth
BEATRIZ MILHAZES (B. 1960)
Cebola Roxa, 2020
Sold for: £680,000
Christie's London, June 2022
© Beatriz Milhazes

Above
Bidding for a Greener Future:
Property Sold to Benefit ClientEarth
ANTONY GORMLEY (B. 1950)
Root, 2016
Sold for: £350,000
Christie's London, March 2022
© Antony Gormley

OUR AMBITION

Christie's sustainability strategy is driven by three goals—zero-impact, nature stewardship, and collective action—which continue to guide our approach across the business. We are mobilising this strategy and reporting on our progress through our pledge to Commit, Communicate and Collaborate.



WE REMAIN COMMITTED TO ACHIEVING OUR ENVIRONMENTAL GOALS

COMMIT

Although we saw an expected increase in emissions in areas such as business travel as the art world opened up post-pandemic, our work to date has improved the relationship between our business growth (revenue) and greenhouse gas emissions. As part of our zero-impact goal, we are committed to meeting our 1.5°C aligned science-based target to halve carbon emissions within our SBTi boundary by 2030 (from a 2019 base year).

From 2021 to 2022, while Christie's total lot value increased 33%, total emissions in our SBTi boundary increased at a slower rate of 31%, reducing the emissions intensity of every dollar of lots we sold by 2%. This demonstrates we are heading in a positive direction, and we are determined to continue this progress.

To achieve our environmental goals, we have a range of sustainability initiatives across our core operational areas:

- In Buildings, we continue to improve the energy efficiency of our salerooms, galleries, and offices through a significant investment in infrastructure and building management systems. To achieve our waste target of 90% diversion from landfill, we are rolling out an enhanced waste management policy and systems for major sites across America, Europe, and Asia. In the coming year, we will be increasing our ambition by initiating the process for TRUE Zero Waste certification for our Christie's London office.
- In IT, to reflect the growing importance and use of technology in our business, and to enable more effective management of the associated increase in IT-related emissions, we have split out IT (previously within Buildings) as a specific operational area for reporting and to focus effort.
- In Shipping, we limited shipping emissions growth to just 5% by halving the volume transported and prioritising sea and road freight over air. We launched our first Sustainable Shipping Standard with key logistics partners globally to align our collective environmental goals and actions.
- In Business Travel, we are using our sustainable travel policy to engage our staff in travelling responsibly and thoughtfully, prioritising trains over flights, and reducing the use of business class. As a business that depends on travel to auctions, fairs, events, and exhibitions, as well as for maintaining client relationships, we were anticipating the rebound in our travel emissions. To help us manage our approach and reduce the impact of increased travel over time, we have now partnered with a new travel provider that allows us to dynamically monitor and be responsible for our emissions.

Facing

FRANÇOIS-XAVIER LALANNE (1927-2008)

Le Grand Oiseau de Peter Branché, 2008

Sold for: US\$1,980,000

Christie's New York, December 2022

© François-Xavier Lalanne, DACS 2023.

AS PART OF OUR
COMMITMENT TO
TRANSPARENCY, WE
CONTINUE TO STRIVE
FOR MORE ACCURATE
DATA AND CLEARER
COMMUNICATION
OF OUR GOALS

WE CONTINUE TO
STRENGTHEN THE
PARTNERSHIPS WITH
OUR SUPPLIERS,
CLIENTS, PEERS, AND
ART INSTITUTIONS
TO TACKLE INDUSTRY-
WIDE SUSTAINABILITY
CHALLENGES

COMMUNICATE

- In 2022, we restated the 2021 figures of Buildings and Travel as we obtained better historical data. Improved data quality this year also resulted in changes to estimations for packaging and building-related emissions. Moving forward, we will conduct a comprehensive review of historic emissions using more accurate data.

COLLABORATE

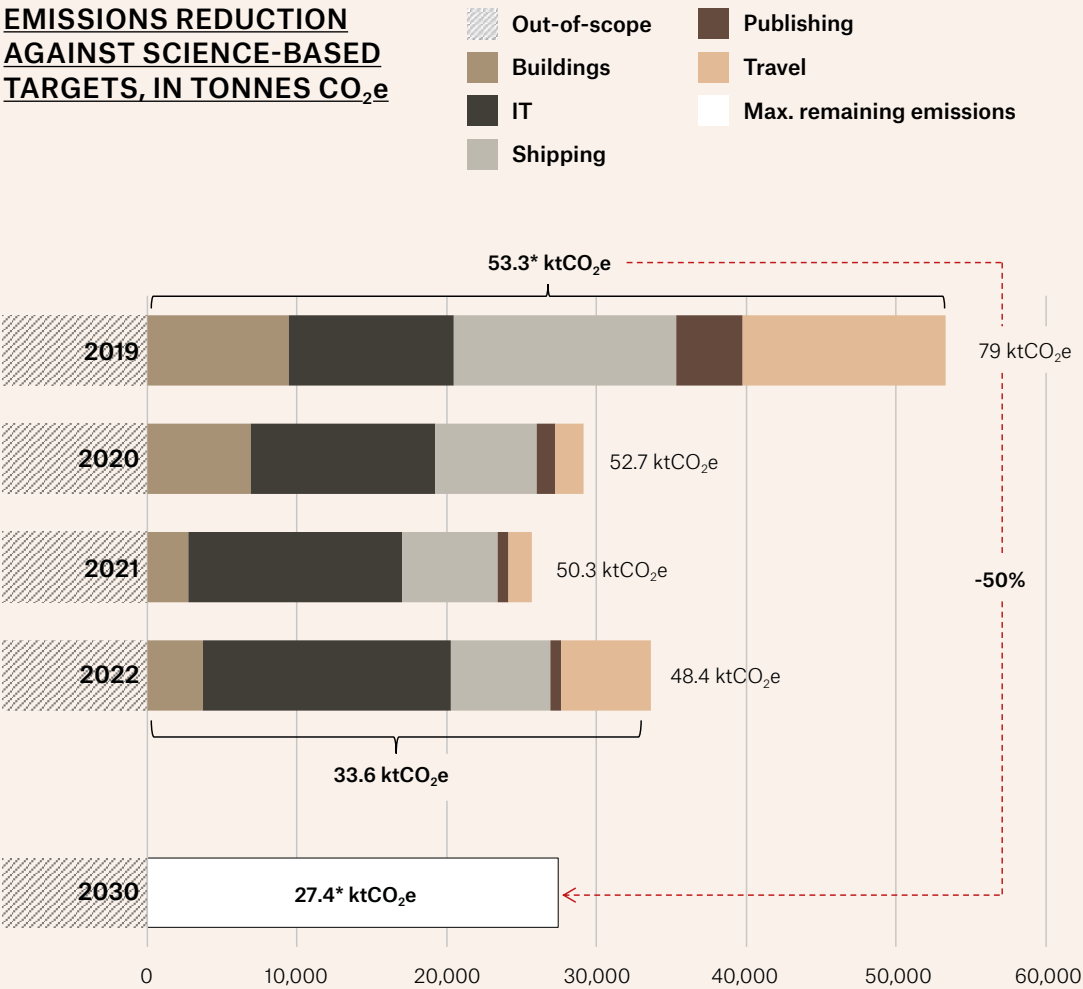
- Our logistics partners play an essential role in safely delivering artworks to our clients, as well as helping us achieve our zero-impact goal. In 2022, we worked with our top 10 shipping suppliers from across Europe, America, and Asia to co-create and launch our first Sustainable Shipping Standard. We are optimistic that this initial important step will lead to further collaboration with our shipping partners, enabling us to exchange learnings as we progress, and support each other in making further improvements.
- As part of our nature stewardship goal, we want to minimise the ecological impact from the use of plastics in packaging solutions for our shipments. We established our first sector-wide working group on Sustainable Packaging with experts and innovators in art logistics and packaging, to review and improve our use of art packaging materials. This collaboration led to our Luxury Packaging pilot for sustainable packaging for the transport of luxury items such as jewellery and watches. At the same time, we continue to develop more sustainable practices in how we use packing crates, such as through reuse.
- We have continued to work with one of our shipping partners, Crozier, to expand our sea freight programme which currently consists of monthly sea containers for our high-volume London–New York and London–Hong Kong routes. To maximise the use of shipped container space and increase the overall emissions efficiency of each journey, we have made the service available to both Crozier’s clients and the wider art market, supporting the wider decarbonisation efforts of the industry.
- We continue to be a committed member of the Gallery Climate Coalition (GCC), contributing to joint initiatives such as the development of our Sustainable Shipping Standard, the Sustainable Packaging working group, and the successful philanthropic sales series ‘Artists for ClientEarth’ which raised £5.7M across a series of international auctions.



EL ANATSUI (B. 1944)
TT, 2021
Offered during *Material Earth*,
a selling exhibition in collaboration
with Efie Gallery, Dubai
© El Anatsui. Courtesy the artist and Efie Gallery.

REPORT HIGHLIGHTS

EMISSIONS REDUCTION AGAINST SCIENCE-BASED TARGETS, IN TONNES CO₂e



X ktCO₂e: Emissions in SBTi boundary
Y ktCO₂e: Total emissions

In keeping with the guidance from the SBTi at the time of setting our targets, the out-of-boundary emissions (seen in grey in the diagram above) are excluded from our science-based targets as they are deemed outside Christie's direct control, and data visibility of these activities is limited. While the SBTi does not require the out-of-boundary emissions to be calculated year-on-year, since 2019 we have been monitoring changes and implementing reduction initiatives for both our emissions within SBTi's boundary and outside this boundary.

Emissions within our science-based targets' boundary now encompass the five core operational areas that are under Christie's direct control. Emissions in boundary across scopes 1, 2 and 3 were estimated to be 33,602 tonnes CO₂e, representing an increase of 31% above 2021 levels, predominantly driven by the recovery of business travel and rising IT-related emissions from our digital transformation.

* Last year, we restated the emissions in base year 2019 and added 1,499 tonnes CO₂e to our emissions boundary for 2030 science-based targets to align with SBTi guidance. More details can be found in our Environmental Impact Report for 2021.

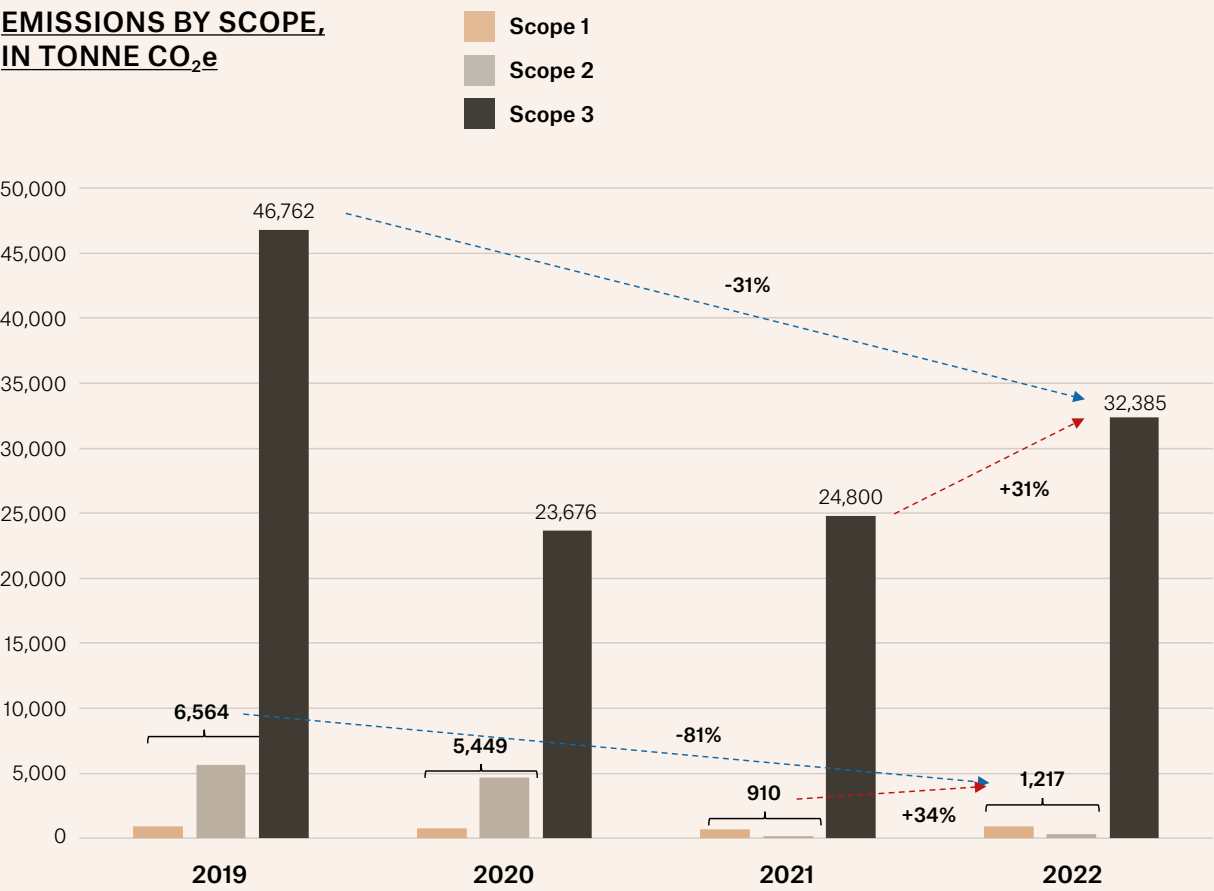
Currently, Christie's has five areas directly under our control which together make up the boundary of our science-based targets:

- **Buildings** – 3,726 tonnes CO₂e: energy used in buildings, waste, water, paper, and employee commuting.
- **IT** – 16,555 tonnes CO₂e: IT procurement, data centres, post and telecommunications, e-waste, and on-blockchain activities.
- **Shipping** – 6,642 tonnes CO₂e: inbound and outbound freight, exhibition tours, other internal logistics and storage, and packaging.
- **Publishing** – 719 tonnes CO₂e: production and distribution of printed material.
- **Business travel** – 5,961 tonnes CO₂e: travel of our staff, mainly due to air travel.

In 2022, many countries in the EU and the Americas emerged from the Covid-19 pandemic. A post-pandemic rebound in our travel emissions and a growth in IT emissions, due to our digital transformation progress, resulted in a 31% uplift of emissions within our SBTi boundary from 2021. Despite this, emissions did not grow to pre-pandemic levels with business travel remaining 56% below 2019 emissions, in part enabled by the work Christie's has already undertaken to reduce the impact of business travel-related emissions.

Christie's continued focus on value-based curation resulted in a 15% reduction in volume of lots compared to 2019. Average lot value has risen 25% since 2021 and 72% since 2019. This has led to a clear decoupling of emissions from revenue growth, impacting shipping-related emissions in particular, where total tonnage shipped dropped 56% from 2019 despite this year being Christie's best sales to date.

EMISSIONS BY SCOPE, IN TONNE CO₂e



BUILDINGS

BUILDING EMISSIONS CONSTITUTE:

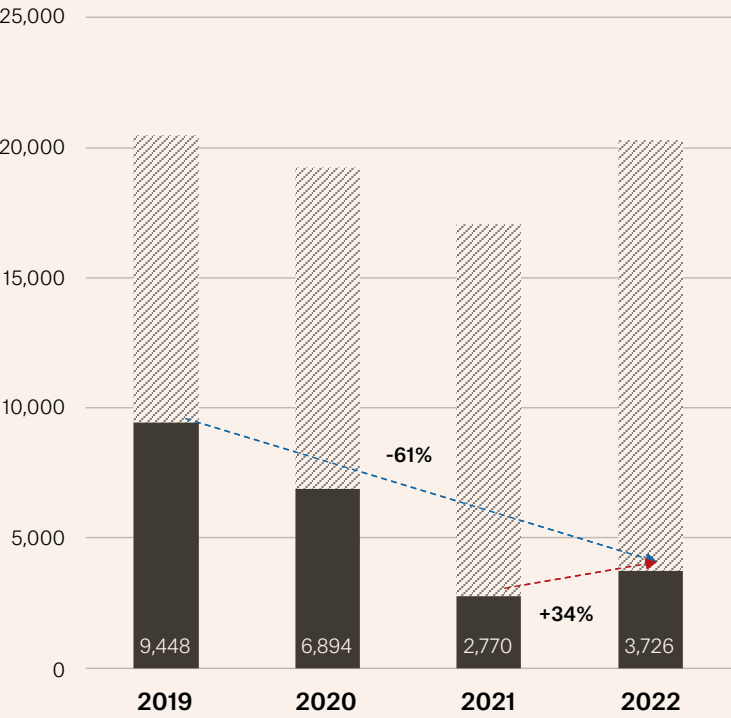
- Energy: direct emissions from the consumption of natural gas, other fuels, and refrigerants (scope 1); indirect emissions from the generation of the electricity we purchase (scope 2).
- Others: scope 3 emissions from employee commuting, from the paper we purchase for our buildings, and from the disposal and treatment of waste and water waste generated in buildings.

Note: A change in categorisation.

Christie's has separated out the reporting of IT emissions into its own functional area due to growing materiality (IT emissions represented 84% of building emissions in 2021). This will enable us to focus specific decarbonisation actions to target IT.

**BUILDINGS EMISSIONS,
IN TONNE CO₂e**

■ Buildings
▨ IT



INITIATIVES

In 2022, as the world emerged from the Covid-19 pandemic, Christie's employees started returning to work in our offices. While we have a hybrid working policy, a large majority of our staff opted for in-person collaboration, resulting in an increase in office presence. As expected, this had an impact on our building emissions, which rebounded by a third.

- The increase in our building emissions was driven by a more than doubling of employee commuting emissions. To address this, we have continued to promote hybrid working arrangements that reduce the need for employee commuting. To encourage low carbon transport, in 2022 we installed car charging points in Milan, Zurich and Amsterdam, and plan to expand this coverage in 2023.
- Despite the return of our staff, electricity emissions dropped by 2%, due to our expanding procurement of renewable electricity and delivery of energy efficiency initiatives. To facilitate this further, we are forging closer partnerships with our landlords. To reduce our dependency on renewable energy availability in the markets and buildings in which we operate, in 2022 we continued our evaluation of our buildings for on-site renewables.
- Obtaining high levels of BREEAM and LEED certification for our larger office locations was a key 2022 objective:
 - Our London and Paris offices received 'Very Good' and 'Good' certification respectively under the BREEAM certification standard. It was a significant achievement that both these historic buildings achieved certification surpassing modern buildings, especially as 2023 marks 200 years in our London headquarters.
 - Our main Americas office in New York at Rockefeller Center also obtained a LEED In Use Gold certification. Our new office in Shanghai achieved LEED Fit Out Platinum certification. We set sustainability guidelines for selecting new premises and leases; for example, in 2024 we will move into The Henderson in Hong Kong, which is aiming for a Triple Platinum LEED rating.
- As part of our Capital Expenditure Programme, we are implementing some of the learnings from our LEED and BREEAM surveys for our smaller offices. Through improved building management systems, installation of LED lighting, replacing and, where possible, removing old and inefficient natural gas boilers, we are both improving efficiency and reducing our carbon impact. In 2022, despite our emergence from the pandemic, Christie's buildings' total electricity-related carbon emissions dropped by 2% and electricity consumption dropped by 4%.
- In 2022, we conducted a waste audit at our New York Rockefeller Center office and rolled out an enhanced waste management policy across our largest global sites. For 2023, we have planned an expanded employee engagement programme.

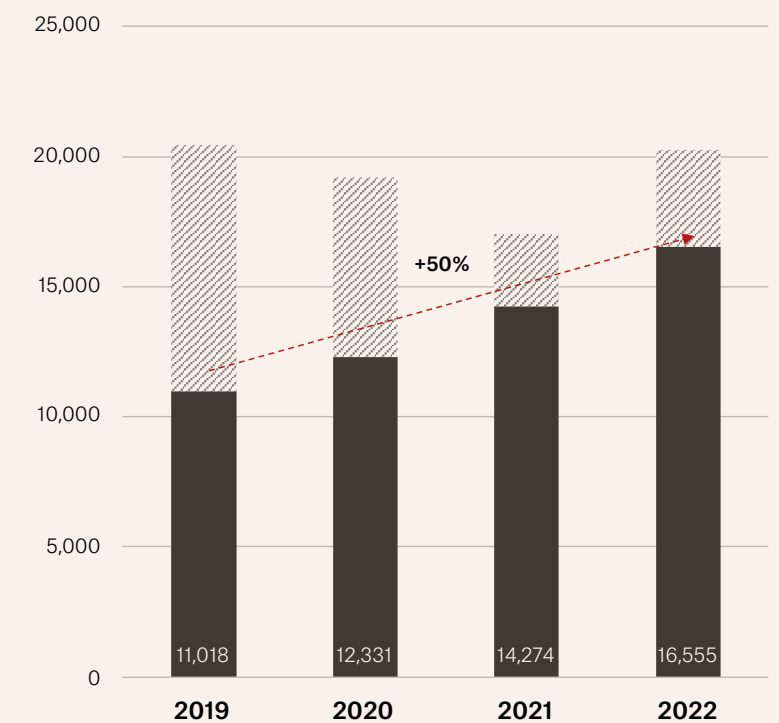
IT

IT EMISSIONS CONSTITUTE:

- IT procurement: the indirect emissions from our software and hardware purchases, as well as the services needed to upkeep and monitor them.
- Data centres: the emissions from running our two data centres.
- Post and telecommunications: the emissions from our procured postal and telecommunications goods and services.
- E-waste: the emissions from end-of-life treatments of our electrical and electronic equipment.
- On-blockchain activities: including but not exclusively the emissions associated with NFT-related transactions and Christie's 3.o.

IT EMISSIONS, IN TONNE CO₂e

■ IT
▨ Buildings



As Christie's continues its digital transformation journey, we show a 16% increase in IT-related emissions over the past 12 months, based on the current measurement methodologies. We have established IT as a specific functional area to better develop our understanding of the impact and capabilities for mediation, particularly in the following areas:

IT PROCUREMENT

Procurement of software, hardware and the associated services account for most emissions in this category. Limited data availability from suppliers means this category is highly subjective and calculated using a spend-basis measure; it is therefore a priority to improve this data quality.

NFTS

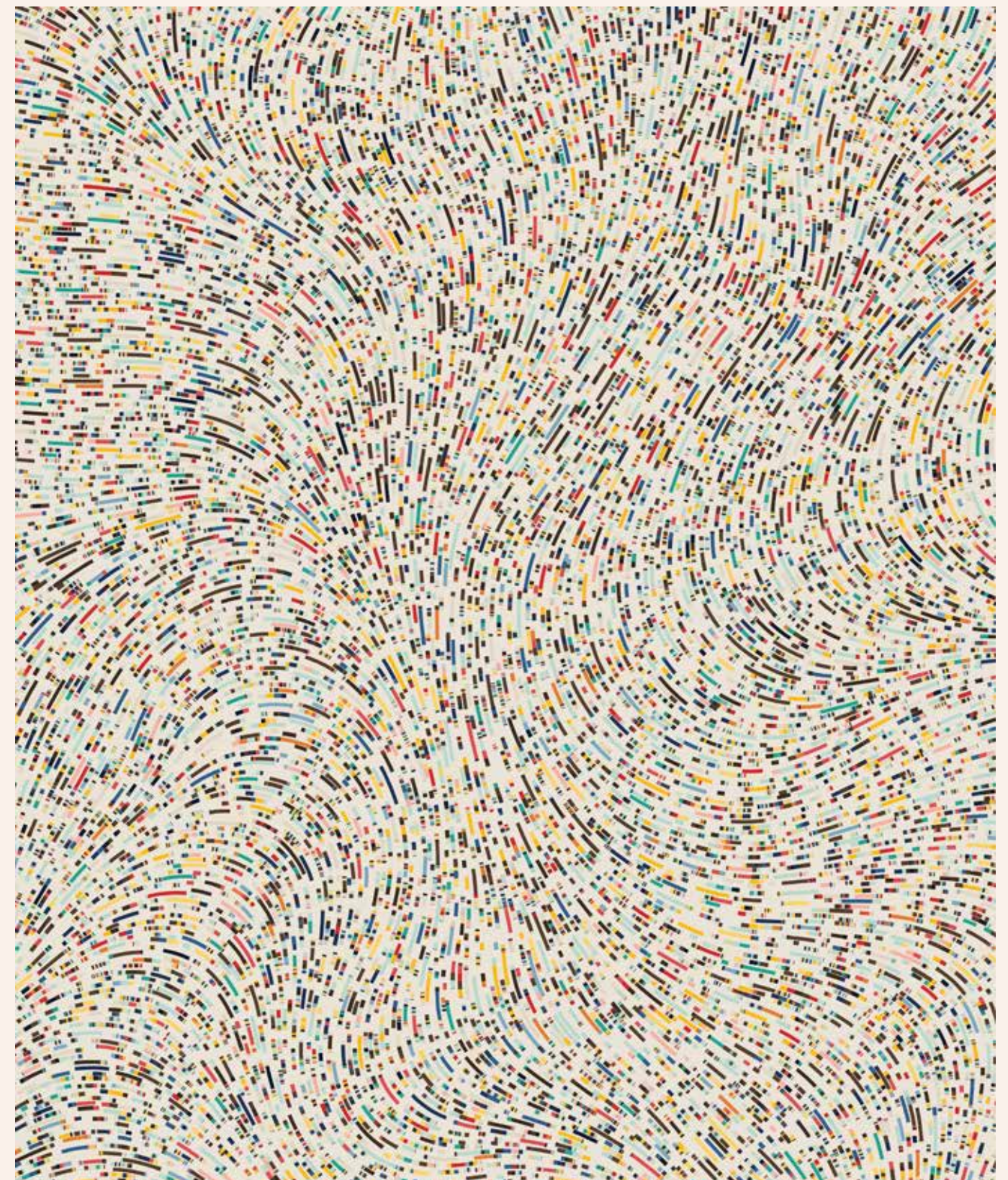
In September 2022, we launched Christie's 3.0, our own on-chain platform dedicated to selling exceptional non-fungible-token (NFT) art, becoming the first auction house to host fully on-chain (blockchain) auctions. We chose the Ethereum platform for our transactions in part due to the low carbon properties of the updated Ethereum 2.0 network, which moved from an energy-intensive Proof-of-Work mechanism to the more energy efficient Proof-of-Stake mechanism. This has reduced our blockchain-related emissions by 38% despite a 74% increase in our NFT transactions. We support the GCC's recent decision to update its best practice guidance to recommend that NFT-users ensure they use the 'lower-energy Proof-of-Stake mechanism'.

DATA CENTRES

In 2022, Christie's completed a large move of our data storage to the cloud. This has reduced the emissions per megabyte stored and resulted in a 22% reduction of our data centre-related emissions. We will continue to look for further mitigation opportunities, as well as reducing the amount of overall data we store. Additionally, we are looking at optimising the amount of energy needed to power our data centres and server rooms by considering factors such as operating temperature.

E-WASTE

To ensure we can limit our e-waste, we are working alongside our waste management partners to collect better data on our current practices and impact.



TYLER HOBBS (B. 1987)

Fidenza #724

Executed in 2021 and minted on 11 June 2021. This work is unique and accompanied by a non-fungible token.

Sold for: £365,400

Christie's London, February 2023

© TYLER HOBBS, ANTICLASSIC STUDIOS, LLC.

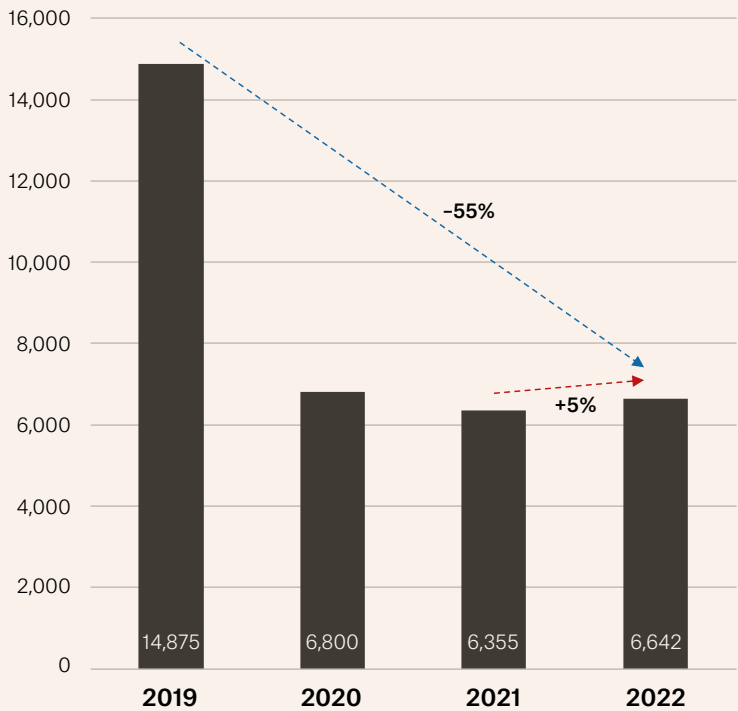
SHIPPING

SHIPPING EMISSIONS, IN TONNE CO₂e

■ Shipping

SHIPPING EMISSIONS CONSTITUTE:

- Freight: of artwork for internal logistics between Christie’s sites, before the sale (i.e. from the seller to the auction room) or after the sale (i.e. shipping organised on behalf of the buyer).
- Packaging and storage: indirect emissions from the production of packaging materials (e.g., crates) and from outsourced storage.



INITIATIVES

In 2022, we made notable progress in decoupling our emissions from our growing total lot value. Despite an unprecedented total lot value rise of 33% from 2021, the total weight transported increased by only 20%, and emissions rose by just 5%. This is due to Christie’s continued progress in implementing low carbon transport solutions, including our Shipping Standard which prioritises less carbon-intensive sea freight over air, as well as our packaging initiatives that also reduce their carbon impact. We will continue to evolve our decarbonisation solutions to build further on this year’s achievements.



Packaging

- The rise in shipping emissions is driven by an improvement in our packaging data quality, which resulted in a 34% increase of packaging-related emissions from 2021. This is expected as, when data gaps are present, average figures are used instead which can lead to an underestimation of total weights. As we collect more data on packaging weight year-on-year, increasing the accuracy of our assessments, we move closer to a more realistic understanding of our true consumption.
- We created a Sustainable Packaging working group, convening the GCC’s experts and other innovators in the art logistics and packaging sectors, to review our current packaging methods. We agreed to focus on reducing the use of unnecessary packaging and corresponding waste, as well as reducing non-renewable packaging materials. One result is our new approach to luxury packaging which uses renewable packing bubbles and reusable boxes. This is currently in use for our trade clients and internal freight in some regions, and we will expand it further this year. In addition, we will expand our focus to include sustainable packaging for flat art and 3D items.
- In 2022, we continued our Repurposed Crate trial to test how it can be best incorporated into our current shipping and storage process, and we encountered practical challenges with appropriately logging and labelling. Whilst having made an incremental advance, we are taking a renewed look at how to make best use of existing crates. In the meantime, we are expanding the use of reusable crates in all our major sites.

Freight

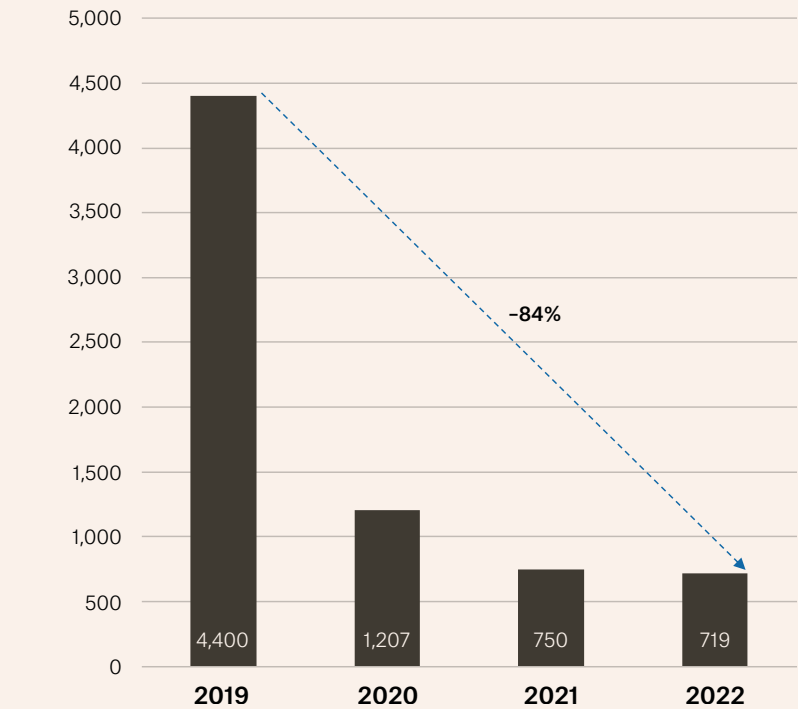
- In 2021, the total number of lots sold dropped 15% from 2019, resulting in a 56% reduction in tonnage shipped overall.
- Since 2019, we have achieved a 10% reduction on the percentage of our art transported by air while road freight increased by 10% and shipping by sea tripled. The Sea Freight programme providing monthly containers for London–New York and London–Hong Kong routes has increased tonnage along these sea routes by 18% (reducing volume transported by air) and contributed to a 19% reduction of freight emissions overall.
- In 2022 we launched our first Sustainable Shipping Standard, developed in collaboration with our strategic logistics partners. The standard provides suppliers with a framework that asks them to align their sustainability efforts with Christie’s goals and overall best practice. We will continue to develop this standard in line with the evolving sustainability landscape and our own efforts to address our impact.
- We are working with relevant logistical partners in the UK to boost their use of electric vehicles for ‘last mile’ delivery, and we are looking to expand our efforts as we roll this initiative out to our Milan, Paris, and Geneva sites.

PUBLISHING

PUBLISHING EMISSIONS, IN TONNE CO₂e

■ Publishing

- Printing: of the material we use in support of our sales (mainly auction catalogues), including indirect emissions from paper, other materials, and printing.
- Dispatch: sending printed material by plane or other transport types.



While publishing remains an important part of our business and client experience, the related emissions now account for just 2% of our total SBTi boundary. These emissions are driven by the number of print runs and the transportation modes used to deliver the publications. In the past, the volume of publications printed was closely correlated to the number of auctions held. However, our policy to strictly limit what we print while fully committing to maximising the digitisation of our publishing has successfully broken this link, with positive results for our impact. Despite this year being one our best sales years to date, including auctions for the Paul G. Allen Collection, the Ann and Gordon Getty Collection and the Hubert de Givenchy Collection.



© Succession Picasso/DACS, London 2023



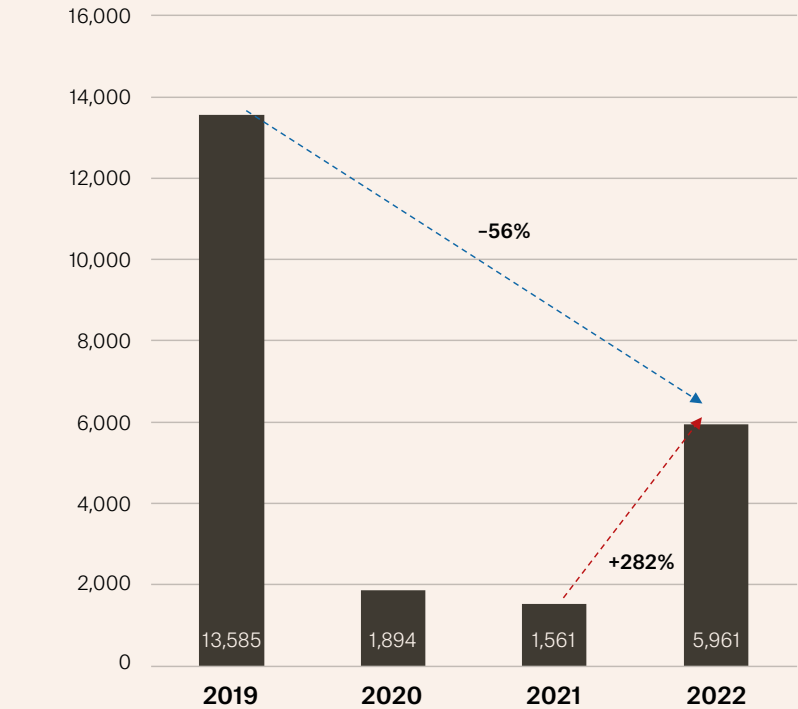
- **INITIATIVES**
- We reduced the number of printed catalogues and achieved an 84% reduction in volume since 2019. This has led to an 87% reduction in emissions from the printing of catalogues and an 83% reduction in emissions from printed material distribution from 2019 to 2022.
- Print media will remain an important element of our client experience, and we will continue to preserve printed material exclusively for high value sales and strive to source recycled, FSC-certified materials whenever feasible.
- We continue to explore alternative printing solutions, including digital printing which would allow us to print more locally in smaller batches, reducing distribution emissions whilst maintaining quality.

BUSINESS TRAVEL

TRAVEL EMISSIONS, IN TONNE CO₂e

■ Travel

- Air travel: staff flying to visit clients, undertake valuations, attend auctions and events, or meet with colleagues.
- Other types of travel: staff travelling in company cars or in personal cars used for business trips, as well as by train, public transport, etc.



At Christie's, building and maintaining strong personal relationships with our clients remains critical to our success. Consequently, as we emerged from the Covid-19 pandemic, in-person client meetings increased significantly, driving business travel emissions up, which means they now account for 18% of our emissions footprint. To help us successfully address this, we have implemented a new travel policy that redefines what is deemed as 'necessary travel' and this has helped us to limit travel emissions at 56% below 2019 emission levels, a comparable period for travelling activities. Moving forward, we will monitor the effectiveness of our policy and continue to improve it.

- **INITIATIVES**
- Our new travel policy prescribes green car services where they are available in main sites, prioritises trains over flights for shorter trips, and encourages reducing business class flights. Limiting business class reduces space per passenger leading to a reduction in emissions. We have partnered with a new travel provider who will support our business travel reduction initiatives. Their new platform allows us to see the impact of our business travel emissions as we book trips and provides low carbon alternative options where possible.
- In continental Europe, we started our plan to replace our company cars with either hybrid or electric vehicles.

CLIMATE-
FOCUSED
INITIATIVES
SUPPORT

PHILANTHROPIC AUCTIONS AND EXHIBITIONS

We continued our commitment to sector and stakeholder collaboration, and worked closely with our network of artists, clients and partners, such as the Gallery Climate Coalition (GCC), to facilitate auction and exhibition events to support environmental sustainability initiatives in 2022.

Following a successful launch in 2021, our global sale series ‘Artists for ClientEarth’ of works donated by contemporary artists raised £5.7M (US\$7.5M) to help the climate charity ClientEarth, in association with the GCC. We hosted two notable sales this year: Antony Gormley’s cast iron sculpture *Root*, which realised £350,000 in March 2022; and Beatriz Milhazes’ painting *Cebola Roxa*, which sold for £680,000 in June 2022.

In March 2022, we collaborated with the charity Grapes for Humanity Global Foundation in our Christie’s Finest and Rarest Wines sale, with wine donated from world renowned producers to raise funds for projects aimed at mitigating the impact of climate change around the world.

In May 2022, we collaborated with Efie Gallery from Dubai to present *Material Earth*, an exhibition of work by three pioneering Ghanaian artists, El Anatsui, Yaw Owusu, and Isshaq Ismail, seeking to stimulate the current global dialogue on sustainability, materiality, and waste through the use of upcycled materials.

ESG PENSION-FUND INVESTMENT

Internally at Christie’s, we work with pension providers to offer a competitive and compelling range of investment options to employees including, where possible, funds with ESG and sustainability options. In 2021 Christie’s in the UK changed the Defined Contribution default investment option to a strategy that includes a 2030 net zero emissions target, whilst also highlighting the launch of four new ethical and sustainable investment options to employees. Christie’s also engages with the relevant third parties to ensure that sustainable investment options are considered for the company’s defined benefit pension plans.

‘The art world can and should play a pivotal part in restoring the balance of our relationship with nature.’

—Abdulla Shahid
President of the 76th United Nations General Assembly



‘A movement starts to succeed when it blends into the art and culture of today.’

—Areeba Hamid
Co-Executive Director of Greenpeace UK

KATSUSHIKA HOKUSAI (1760-1849)
Kanagawa oki nami ura
(Under the well of the Great Wave off Kanagawa)
Sold for: US\$604,800
Christie's New York, March 2022

ABOUT THIS REPORT

This Christie's Environmental Impact Report has been prepared by Christie's in association with Accenture. It includes a detailed account of Christie's carbon footprint arising from all operations and relevant supply chains. This was compiled through the exhaustive analysis of data relating to operational activities, including procurement data. Christie's key personnel were interviewed to interpret and categorise this data, and emissions from areas where data was not available were estimated using modelling methods developed by Accenture specifically for Christie's, aligned with best practice in GHG emissions accounting. We provide a comprehensive breakdown of total carbon emissions arising from all activities in our boundary from 2019 to 2022.

All data collected and analysed within this report has followed the World Resources Institute (WRI) GHG Protocol principles of relevance, completeness, consistency, transparency, and accuracy.



CAMILLE CLAUDEL (1864-1943)
L'Abandon
Conceived in 1888 and cast in bronze
by Eugène Blot, Paris, in 1905
Sold for: £831,600
Christie's London, March 2023

Find out more



CHRISTIE'S

christies.com