

# Creating trans-Atlantic collaboration to address the built environment's climate challenge

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Thank you to the panel for sharing their  
experience, insight and ambitions.

# DISCUSSION SUMMARY

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# BIGGEST DRIVERS OF CORPORATE SUSTAINABILITY ACTION

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- Carbon, climate change and TCFD scenario analysis used to be siloed within CSR and sustainability teams but now emphasis has shifted to looking at all areas of how climate change could impact the business. The conversation has moved from operational business continuity to strategic risk and opportunities, and in many cases has forced companies to re-evaluate their purpose, goals and service offer.
- Sustainability is now recognised as a key opportunity in employee engagement and in the ‘war for talent’. Businesses have a responsibility to internal stakeholders to provide a platform for action and those which don’t will get left behind as staff vote with their feet.

# MAJOR ACTIONS FROM THE LAST YEAR

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- New targets now go beyond net zero (carbon negative, water positive, zero waste). They need to be bold and push the boundaries to allow for innovations to feed through and for businesses to feel empowered to think differently and radically.
- Following the success of an internal carbon tax which charges business groups for their carbon emissions through scope 1 and 2 and business travel, from 2021 the tax has been expanded to include all of scope 3. The money will be used for sustainability programmes and the offsetting of historical emissions.
- Working with carbon capture, utilisations and storage (CCUS) and industrial clusters has brought learning from other parts of the world.
- An employee campaign to challenge behaviour around business travel so that it doesn’t return to pre-COVID levels is impacting thinking right across the business. Corporately the entire global vehicle fleet is also being moved to electric.

# VIEWS ON REGIONAL COLLABORATION

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- Flexibility of goals and solutions around the world are essential. It is really important that global businesses set a sustainability strategy that acknowledges the needs and challenges in different regions and allows for inclusive approaches.
- Taking a ‘build back better’ mantra that additionally looks at reducing economic inequalities. These two significant challenges must be connected to allow for better outcomes for all.
- Where businesses have targets that go above federal commitments, they have a responsibility to share learning and bring others on the journey with them. Achieving corporate targets in a silo, without engaging partners and suppliers, should be viewed as a failure.

# EXPECTATIONS OF COP26

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- A clear approach will hopefully emerge of how investment should be made in emerging economies to help their commitment to carbon reduction. As well as consistent regulatory certainty around broader investment.
- Institutional infrastructure will be implemented to support rapid knowledge transfer and innovation.
- Global financial commitment to create a hydrogen economy through clusters around the world.
- Clarity of how data will be utilised to expedite meaningful action in the future. Allowing for improved accessibility, understanding and use of data to increase action in the areas that will have the greatest impact and reduce duplication of effort or repeated learning.
- Greater alignment of government policies across the world and, in the US, a unified federal approach.
- Greater clarity of how to quantify carbon removal.

Q & A

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## How are smaller supply chain companies coping with climate change targets and requirements?

Many companies are starting to recognise and report the GHG emissions associated with their supply chains and are, therefore, increasingly providing and supporting their suppliers to rapidly progress carbon savings. Many smaller sub-contractors would benefit from the global knowledge and experience of the main contractors.

Mace has set a target for their top 100 supply chain partners to set net zero carbon strategies by 2022 that they will be expected to deliver by 2030.

Microsoft are developing resources to share with their suppliers and have been having strategic conversations to inspire action.

## Have you seen any good examples of the oil & gas and heavy industries becoming more efficient?

[SteelZero](#) is an example of a campaign related to heavy industry. It encourages businesses to make a commitment and drive the transition to net zero steel production.

Newer aircraft from Boeing and Airbus are 15-20% more fuel efficient than previous models, and through technological innovations, aerodynamic advancements and a shift towards cleaner fuels, like hydrogen, means we could see zero-emissions commercial aircraft like the Airbus ZEROe in use by 2035.

## Which infrastructure sub-sectors in the US are the most advanced in carbon reduction initiatives?

The green energy sector is taking off right across the globe and particularly within the US but the sector that is transforming its business operations the most is transport. Whether it is aviation, ports or rail, they are all making bold commitments and working through how they will capitalise on the investments to make the transition to sustainable fuel and electrification.

## Is there an onus of a company's eco-responsibility being placed on corporations themselves or are businesses shifting the focus more on their employees to make environmentally conscientious day to day choices?

All of the companies on the panel have made corporate-level commitments to sustainability, and this reflects the position across wider business and industry. It is starting to be recognised that businesses that don't make these commitments and aren't planning now for the future are going to be left behind. Increasingly ESG commitments are being used as indicators by investors and demonstration of responsible business practices attract better rates.

Much of the progress in our fight against climate change is being led by individuals, coming together in groups, and championing change from countries, industries and employers.

While most corporations are taking action to reduce their corporate emissions, many are now expanding their influence to help their employees lead more sustainable lives – through education, training or improving access to green products such as subsidised green energy for home, EV car leases and carbon offsetting clubs. The recent increase in working from home has arguably sped that up, as more corporations recognise the interlink between an employee's personal carbon footprint and that of their business.

## How do you think that the current energy price crisis might affect the willingness of governments to drive towards net zero?

The longer we wait to make the change to low carbon economies, the more it will cost in the long run. In addition to energy prices, governments are carrying the costs of extreme weather events such as flooding, hurricanes and wildfires.

The current price crisis politicises energy use and brings it to the attention of the public. Rather than help prompt government targets it may help to drive action to address poor quality buildings and investment in new low carbon technologies. It can only help. The conversation appears have to have tipped from 'why we should do this', to 'why wouldn't we'.

## Are most big companies greenwashing or taking truly impactful steps?

Businesses have really stepped up their actions in the last two years and are setting bolder targets, but the majority are still focused on addressing the low hanging fruit. They need to turn their attention to tackling the difficult bits – the bits that will have the greatest long-term impacts.

With climate change all over the news we are all becoming experts on the subject, so while we may not all be satisfied at the speed of change, it is making it harder for corporations without robust strategies to hide and for greenwashing to prevail. This is possibly the challenge of our lifetime, and for many it can be overwhelming, but we are seeing big companies take impactful steps, and we can all play our part by continuing to challenge them to do more by voting with our feet, dollars, or politically to ensure they are delivering on their promises.

## What will be the key challenges over the next few years to drive progress in the wider industry?

We need to ask ourselves some hard questions about the fundamental ways of life we have become accustomed to. We will not achieve what we need to, at the speed we need to, by tweaking how we do things today. We need fundamental change. But are we all willing to make the changes required to succeed? Are we willing to stop doing business that's bad for the environment, to reinvest profit rather than pay shareholders, break from the status quo and be more innovative, pay more to heat our homes or drive our cars, to not buy new clothes or phones every year, to eat less meat? Companies and individuals have big questions to ask themselves.

# USEFUL LINKS

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- Find out how [big your environmental footprint is](#).
- [Race To Zero](#) is a global campaign to rally leadership and support from businesses, cities, regions, investors for a healthy, resilient, zero carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth.
- Whitepaper: [Microsoft carbon removal – lessons from an early corporate purchase](#)
- [Steps without footprints: One year on.](#)  
How Mace achieved a net zero carbon position in 2020.

# CONTACT

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If you have any further questions or comments for the panel, please email us at: [stepswithoutfootprints@macegroup.com](mailto:stepswithoutfootprints@macegroup.com)

