



# Navigating Sustainability in Building & Construction.



## Agenda

- Defining Sustainability
- Industry Ambitions
- Changing Expectations
- Readyng Operations
- Q&A



## DEFINING SUSTAINABILITY

# Beyond the Balance Sheet

Maximizing competitive advantage, effectively managing risk, and ensuring resilience, through sustainable business practices.

### ENVIRONMENT



Monitor and  
Reduce  
Environmental  
Impacts

### SOCIAL



Promote  
Positive Impact  
for People &  
Communities

### GOVERNANCE



Compliance, Risk  
Management,  
Oversight

## Sustainability (ESG)

## DEFINING SUSTAINABILITY

# Sustainability for Building & Construction

Varied Reporting  
Maturity

**50%**

of industry leaders publish a  
Sustainability Report

Largest Emitters  
of GHGs

**37%**

global emissions from  
building and construction

Energy Saving  
Potential

**-12%**

in energy demand  
through efficiency

## KEY SUSTAINABILITY ISSUES

### Environment

GHG Emissions  
Building Materials

### Social

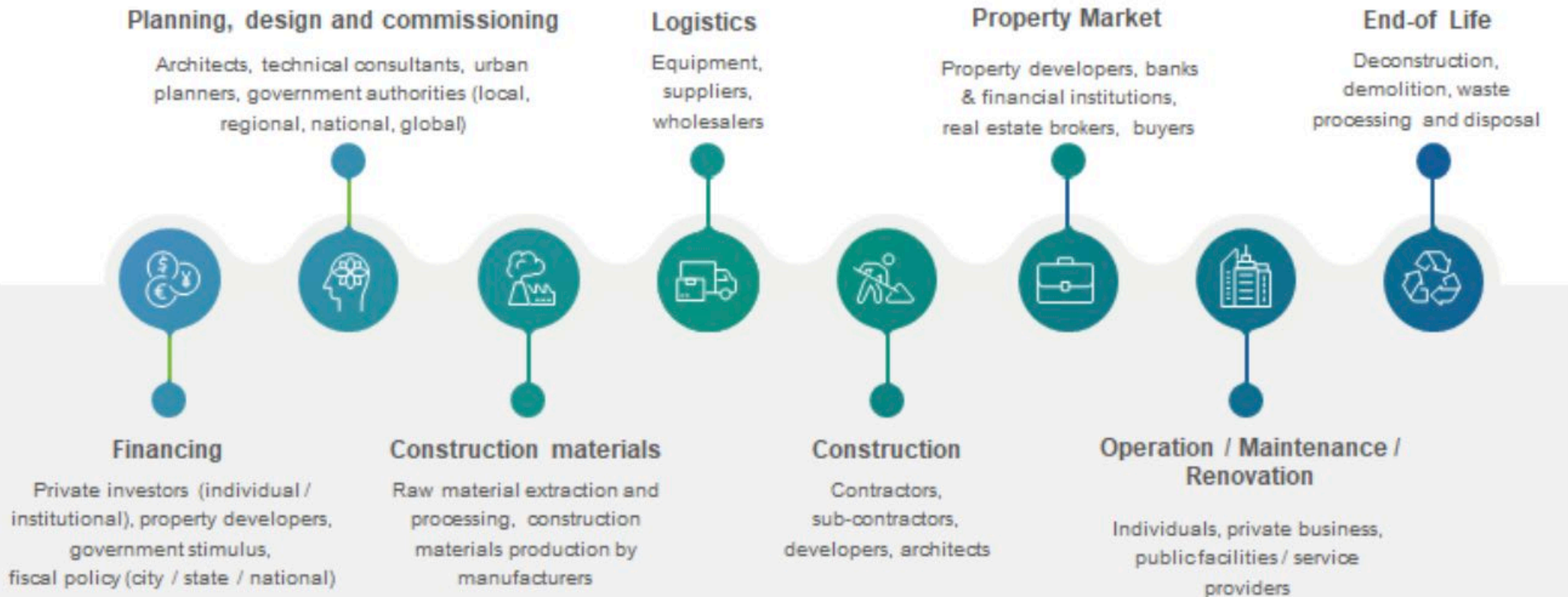
Health and Safety  
Labor Management

### Governance

Contracting  
Anti-corruption & Bribery

## DEFINING SUSTAINABILITY

# Plastics in the Value Chain



## DEFINING SUSTAINABILITY

# Consumption & Impact of Plastics

**69%**

of PVC utilized by  
Building & Construction

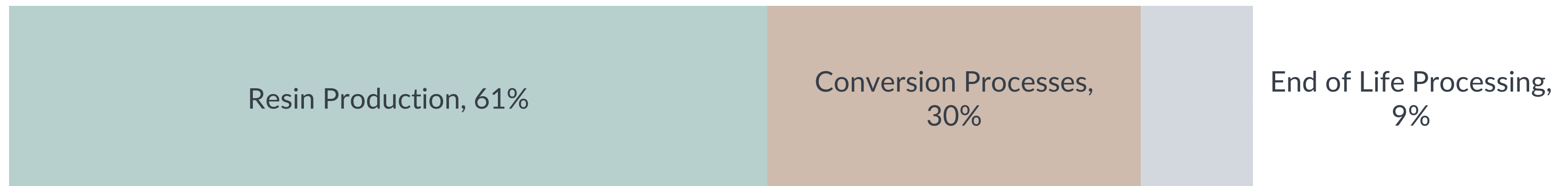
**19%**

of all non-fiber plastic  
consumption

**<10%**

recycling rate

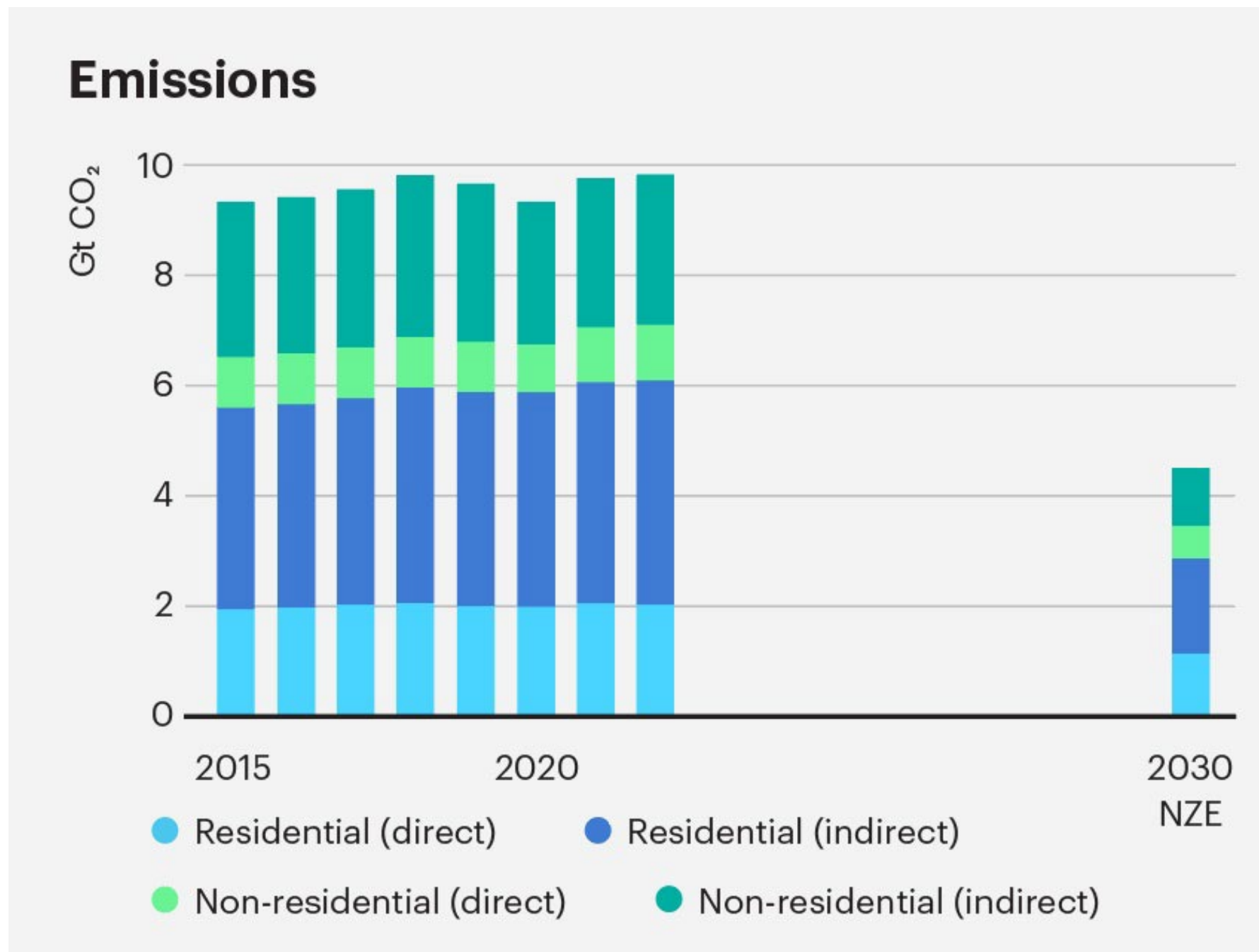
## GREENHOUSE GAS EMISSIONS IN PLASTICS





## INDUSTRY AMBITIONS

# Decarbonizing by 2030



**50%**

decrease in  
operational emissions

**35%**

decrease in energy  
intensity by 2030



# Changing Expectations

## INVESTORS

**98%**

of investors indicate they evaluate ESG performance based on corporate disclosures.

## CUSTOMERS

**76%**

of engineering and construction companies see sustainable use of resources and new materials as a top priority

**\$24.7T**

investment opportunity in emerging markets for new sustainable buildings by 2030



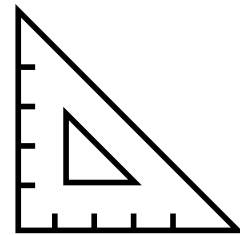
# Sustainability Readiness Assessment: Where can you begin?





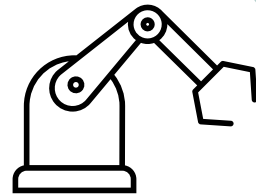
# Foundations of Sustainability

Companies can vary greatly in their maturity within these foundational elements.



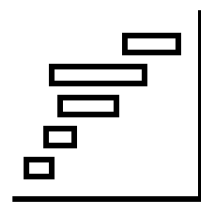
## Measurement

- What is your environmental impact?



## Operations

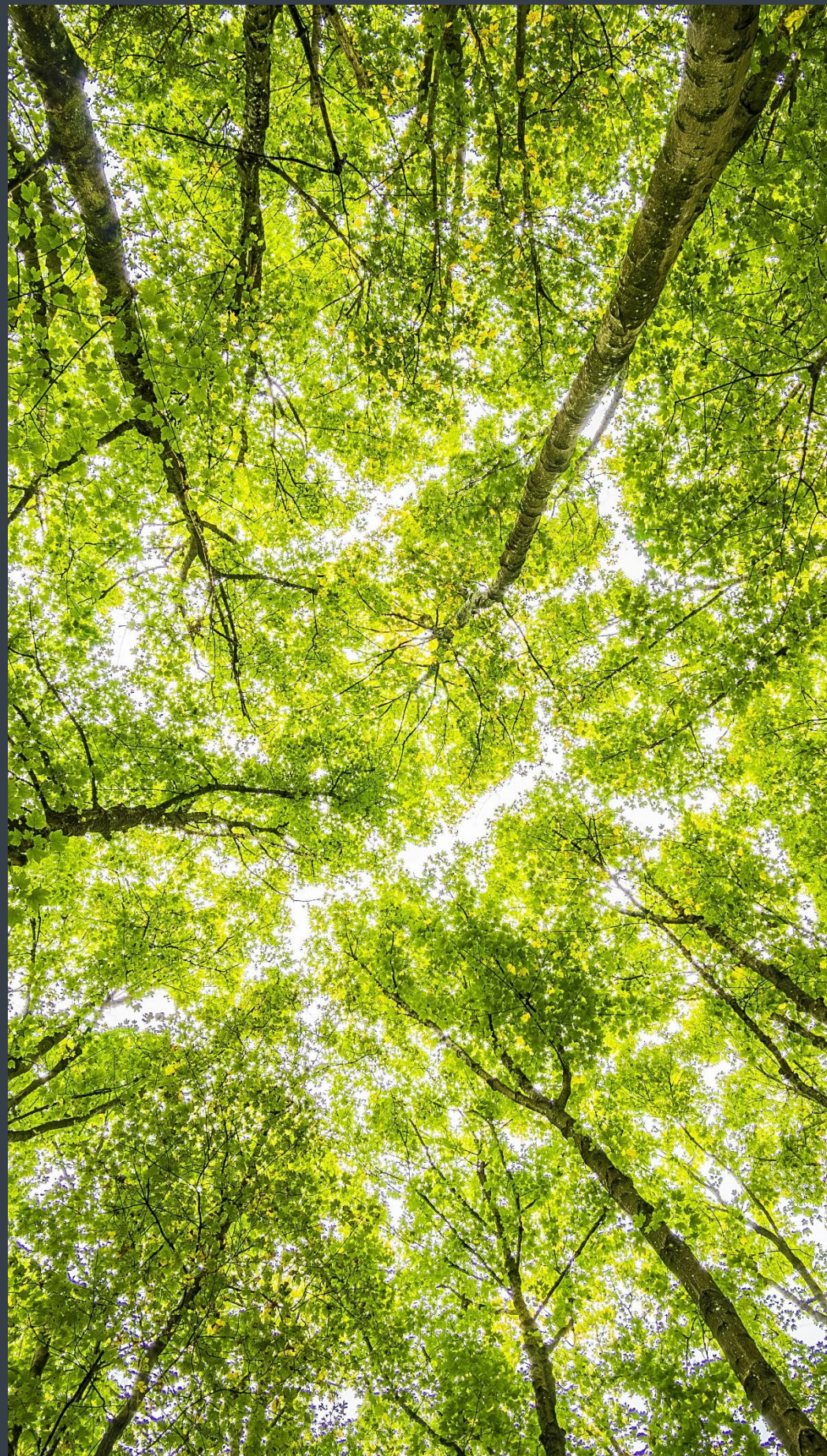
- Which parts of your operations have the most environmental impact?



## Planning & Communication

- Do you have a goal or plans in place to reduce impact?
- How do you communicate your impact to key stakeholders?

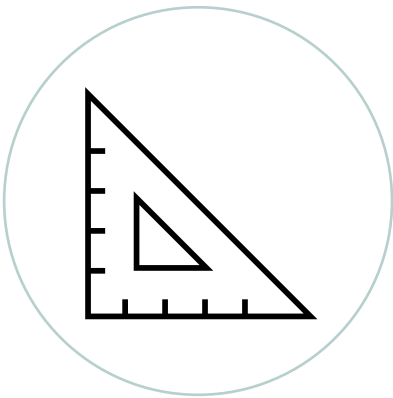




## Discussion

How well do you know your sustainability impact?





# Measure:

## Discovering your sustainability impact

### Environment

Key Topics: GHG emissions, building materials

- What are my scope 1 and 2 GHG emissions?
- What is the recyclability rate and amount of recycled content in a recent project?

### Social

Key Topics: health & safety, labor management

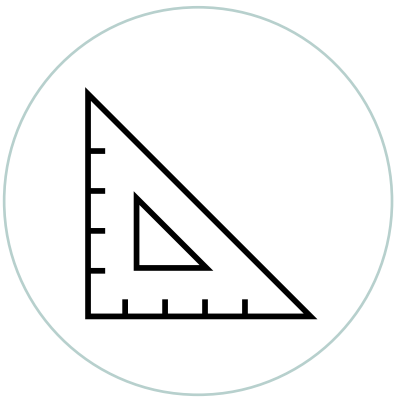
- What is our injury and illness rates?
- How much time do employees spend on training? How much does the company spend on training?

### Governance

Key Topics: contracting, anti-corruption & bribery

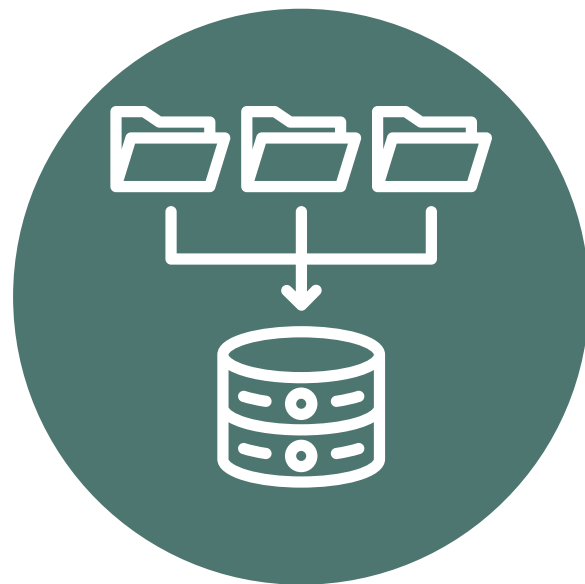
- What are your risk assessment tools built into contract engagements?
- What are the use statistics of E&C management systems (hotline, chat bot, etc.)?



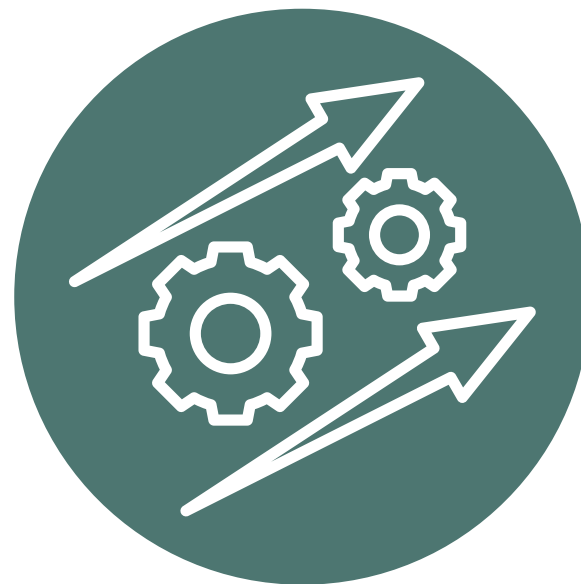


## Measure: Best Practices

When measuring KPIs for key topics, focus on **quality of measure** versus quantity. It's essential to have accurate measures for the most important topics, to communicate long-term value and progress.



Consistent  
Collection Systems



Measures that  
Reflect Action



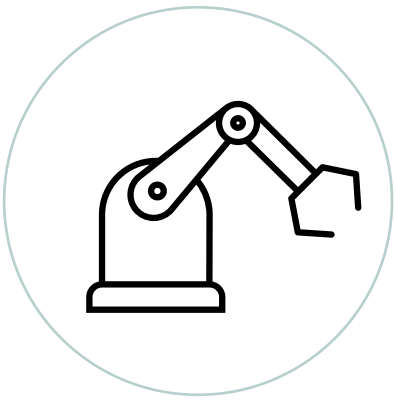
Building Off Systems  
in Place



## Discussion

Which parts of your organization have the most sustainability impact?





# Operations

Understanding your capital inputs

Thinking about types of manufactured and natural capital that have the highest impact.



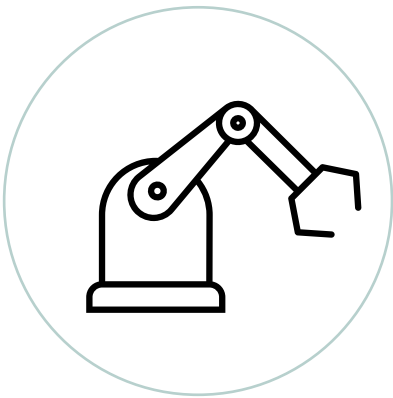
## Manufactured

- Physical objects available
- Example: machinery, produced materials, packaging



## Natural

- Resources and processes
- Example: petroleum, raw materials, energy



# Operations: Best Practices

Environmental impact can span across a whole organization. Focus on creating efficiencies in your operations that can result in dual cost-savings and environmental impact.



Look for Efficiency  
Opportunity



Work with Key  
Employees



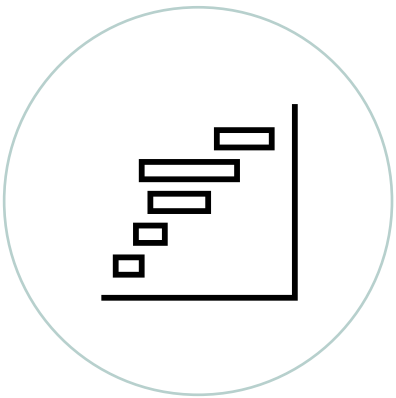
Conduct a Value  
Chain Analysis





## Discussion

Does your organization have a goal or plan to reduce sustainability impact? How is it communicated?



# Planning & Communication

## Creating a path forward

### Strategy

Where are there already ESG elements in place?

Are there opportunities for innovation?

How can we align ESG with the company's purpose?

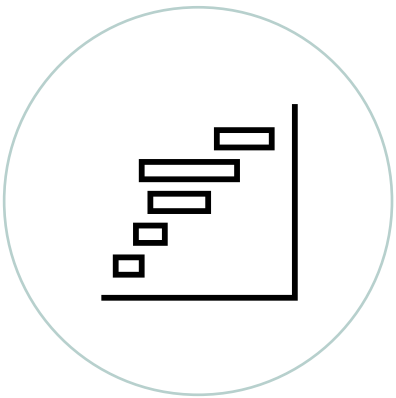
### Stakeholders

Which stakeholders are impacted by ESG?

Who is driving change?

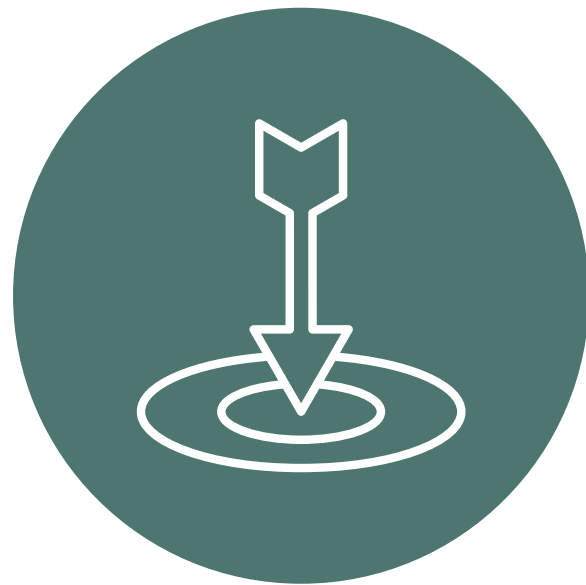
How can we communicate progress most effectively?





# Planning & Communication: Best Practices

Planning can be overwhelming, but at its core, ESG can and should be integrated into business activities.



Develop a Strategy  
for Impact



Communicate  
Progress with Key  
Stakeholders



Create Systems for  
Accountability

# Takeaways

ESG is changing quickly and it's a complex landscape! Many stakeholders **just want to engage with suppliers – be proactive** in implementing ESG as a part of your business!

1

How do I begin to navigate this ESG landscape?

Be proactive and identify opportunities for efficiency and innovation. Start small!

2

How can I balance performance with increasing ESG pressure?

Focus on meaningful engagement and building a long-term strategy for success.





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