

Is the climate action message being lost in translation?

Sustainability Delivery Group roundtable outcomes and notes

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About

A group of senior executives from leading environmental & sustainability (E&S) consulting firms took part in Environment Analyst's [Sustainability Delivery Group roundtable](#) on 27 January 2022, to discuss the difference between 'sustainable development' and 'achieving net zero', and how a change in vocabulary might be necessary to ensure engagement.

The roundtable featured a presentation from Jo Gilroy, head of sustainability at [Kier Group](#), offering a client's eye view of construction industry sustainability challenges and how (amidst supply chain, scope 3 emissions reduction and biodiversity net gain pressures), she sees collaboration, not competition, as the future for progress, using the UN 17 Sustainable Development Goals (SDGs) as a roadmap.



Key takeaways

- Net zero success should be gauged by overall results - not individual corporate achievements
- The UN SDGs should be implemented at an organisational level
- The lack of measurable and comparable metrics is undermining net zero targets
- A change in vocabulary may encourage wider industry comprehension and engagement
- Collaboration is the key to net zero success. Competitive drivers have helped start the net zero journey, partnerships will be needed to finish it.

Recommendations

- Collaborate with other consultancies, competitors and peers to help define metrics in a more understandable language
- Reframe KPIs in commercial/monetary terms instead of pure environmentalist concepts
- Use the 17 SDGs as a base for net zero goals, not an accompaniment
- Be prepared to guide your clients through upcoming TCFD assessments in a way that aids industry-wide comparability

The difference lies in the end result

Jo Gilroy, head of sustainability with [Kier Group](#) opened the discussion. Kier Group is a provider of infrastructure and construction services and property developments with revenues of £3.3bn (\$4.5bn) in 2021. The firm employs around 10,800 staff across 57 locations in the UK.

In her opening remarks Gilroy asked: “What exactly are we aiming for when we design a sustainable strategy? Are we aiming for net zero results or are we trying to achieve the sustainable development goals? I see the two as being very different.”

Sustainable development should be the end goal, one that Gilroy said may have become confounded with achieving net zero.

“There is a feeling that if we achieve net zero, then we've done it, we've achieved everything, and we are on the road to success. I feel however, that as a global society, we sometimes keep making the same mistakes.”

Look at the whole picture

Gilroy used the example of how electric vehicles are widely seen as part of the solution to a lower carbon economy, but how very few actually speak about issues such as battery life, and the creation of legislation regulating how long vehicle batteries should be in service. And how they will be disposed of at the end of their useful life.

Gilroy's point? Dead batteries are not easily recyclable through the UK's current infrastructure, resulting in a negative impact on the environment. “One of the points that I keep flagging in our industry,” she said, “is that we need to refer back to the principles of sustainable development goals.”



The roadmap is already available

The [17 sustainable development goals](#) that were created by the UN as a roadmap, predominantly for countries, can also be utilised at the organisational level.

“One, very short term, difficulty that construction is going to face, is that we have accelerated very quickly on the conversation around achieving net zero, without thinking of it within the context of overall sustainable development, which is the end goal.”

The implication: the two aims are only symbiotic if they are considered as a whole. Delivering net zero does not make an organisation sustainable.

Net zero is not a race

“Net zero can sometimes be treated as a competition, where the winner crosses the finish line first,” explained Gilroy. “If only a few companies achieve net zero, then we haven't won anything. We've still generated disastrous planetary warming.”

Understanding what success looks like

Companies measure carbon in different ways, which means it is very difficult for companies and regulators to really understand what success looks like, due to the lack of comparability.

“This discrepancy is where reactive, inherently costly, and possibly bad, legislation comes from,” said Gilroy, “as regulators are forced by overwhelming public response to take action. We need a much stronger emphasis on actual collaboration within our industry; not just talking about it, but actually doing it.”

Is the message getting lost in translation?

Gilroy said, “The way that sustainability is currently measured - the language of communicating sustainability goals - is achieved largely through environmentalist language. The barrier to progress is that the individuals who need to make the actual changes, to adopt modern methods of construction, to invest in new ways of working, to invest in new processes - all the budget holders - their language is a commercial one.”

Gilroy suggested that the climate change conversation needs to be translated for non-environmentalist market participants, into a more commercial language. The process should perhaps be framed in terms of leading questions, such as: “What do I fundamentally have to do to reduce my operating costs? What do I have to do to improve my profit and loss statement? What are the best activities to invest in for maximum return?”

A concrete example

“One of the things that we do at Keir,” said Gilroy, “which encourages budget holders to start the sustainability journey (and to adopt a more sustainable mindset) is to leave out standard volume metrics when discussing sustainable performance.”

“We measure all the same things: volumes of water, waste, carbon, et cetera, and then we turn them into commercial KPIs,” explained Gilroy. “Rather than discussing tonnes of carbon, we translate that into more commercially friendly terms and concepts such as, ‘what is the cost of fuel, gas, electricity, waste, water’, and then connect that to a more generally understood concept such as, ‘for every pound of investment, what is the carbon return? What is the waste return? The water return? And therefore, ‘what are the savings?’”

The cost of doing nothing

Businesses are very aware of the cost of taking action: sustainability is not free. It requires investment in exactly the same way as does investing in talent, in winning new business, and in the development of new technology. That being said, many companies are unaware (*or under aware*) of the cost of **not** investing in sustainability.

“There is still a widespread feeling that we have time,” said Gilroy, “but I think it will be very interesting to see the results from the upcoming TCFD assessments, which require businesses to disclose their current financial risk from climate change.”

“I wonder if those disclosures will then lead towards the language of sustainability transitioning from an environmentalist space, into the pure language of business, which is all about pounds and pence.”

Discussion from the roundtable

Roundtable participants agreed it would be great if consultancies, contractors, and businesses were all pulling in the same direction and not competing, but of course, competition does drive the industry, not least in terms of innovation.

CFOs, at this point in time, should be fully cognizant of the fact that there is a rather large, loud ticking clock in the room, and as such it should not have to be the job of consultants to ‘ease’ a client into a successful sustainability strategy.

Some participants commented that it would be good for firms to be more driven by a purpose, rather than share price. At this point in the process boardroom conversations should have moved past the need to turn environmental impacts, enhancements, and mitigation into monetary terms.

One participant noted: “It is alarming the number of times that we do have to convince somebody from a financial background, what needs to be done. My experience tells me that perhaps the conversation has not yet moved forward enough.”

It has been known to happen that whilst setting ambitious targets in public, the conversation behind closed doors of some large [un-named] companies go along the lines of: “It’s not about doing it, it’s about making the commitment”. This is a very dangerous slope to be on. Once a firm loses credibility in public it erodes trust in the entire industry. All it takes is some difficult questions asked by deep dive journalists who have actually done a bit of research.

Roundtable participants

Name	Job Title	Company
Robert Spencer	Business Line Director – ESG	AECOM
Emma Maltby	Associate Technical Director	Arcadis
Anne Dugdale	Senior Technical Director	Arcadis
Vicky Hutchinson	Environment Practice Director, Infrastructure	Atkins
Damian Robinson	Divisional Director - Environmental Planning	Delta Simons
Martin Brammah	Associate (Ecology)	Delta Simons
Julian Rose	Managing Director	Environment Analyst
Ross Griffiths	Operations Director	Environment Analyst
Philip Stewart	Senior Partner	ERM
Richard Ashby Crane	Executive Director of Operations	Jacobs
Sara Craze	Principal Consultant	Jacobs
Nick Jarritt	Director – Climate Risk, Water Management & Environmental Policy	Wood
Nick Howard	Principal	Ramboll
Matt Gardner	Senior Technical Director	Arcadis