

CRE Well on Its Way to Meeting 'Decarbonization Challenge'

Empire State Realty Trust the latest among many setting goals and making significant strides.

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The past quarter saw the greatest number of new signatories to the Science Based Targets initiative (SBTi) since its inception, according to JLL's August report, "Decarbonization: Meeting the retrofitting challenge."

There are now 3,284 companies publicly committed to taking action (1,502 with science-based targets and 1,194 with net zero commitments), JLL reported.

"This will put further pressure on the real estate industry to deliver NZC buildings," JLL's report said.

ESRT Partners for Its Retrofits Strategy

Among the companies working to this goal, Empire State Realty Trust announced last week that it achieved carbon neutrality for its 9.9 million square foot commercial portfolio through a combination of its industry leadership in building energy-efficiency retrofit work and a new three-year agreement with 18 Reserves and ACT.

In this effort, the agreement aims to preserve close to 9,000 acres of biodiverse forest that will offset 100% of ESRT's non-electric fossil fuel usage.

ESRT said it has already reduced greenhouse gas emissions at the Empire State Building by 54% and the entire commercial portfolio by 43%.

Anthony E. Malkin, chairman, president, and CEO at Empire State Realty Trust, said in prepared remarks, "As legislation, market demand, and climate change risk push real estate owners to meet emissions reduction



Anna Murray

requirements, companies need to seek out more advanced ways to offset their current usage while they work to reduce emissions."

BGO: Real Estate Industry Should Take Leadership Role

Anna Murray, global head of **ESG**, Bentall-GreenOak, tells GlobeSt.com, "We are seeing examples of asset managers making major strides on their carbon reduction goals and this confirms what BGO has long known to be true: the real estate industry can and should be taking a leadership role in the global charge towards reducing GHGs.

"Across BGO's global portfolio, we are already analyzing and building net zero considerations into new and existing building plans, including energy efficiency, building electrification, infrastructure for onsite renewable and whole life carbon analysis."

BXP Aims to be Carbon Neutral by 2025

Ben Myers, vice president of sustainability at BXP, tells GlobeSt.com that he believes his company can play a leading role in advancing the transition to a low-carbon economy through our climate action efforts.

"Our 2025 commitment to carbon neutral operations is the result of longstanding efforts across the company to make our properties more energy efficient and the ongoing shift to renewable energy sources," Myers said. "Like the carbon reduction targets, we have set and achieved since 2015, carbon neutral operations will mark a significant milestone in our sustainability journey."

Steelcase to Reduce Emissions 50% by 2030

Mary Ellen Mika, director of sustainability at Steelcase, tells GlobeSt.com that in August 2020, Steelcase announced it had achieved carbon neutrality for its own operations and had set ambitious targets to reduce greenhouse gas emissions approved by SBTi.

"Steelcase takes responsibility for emissions from its owned and operated facilities by continuing to invest annually in renewable energy equivalent to 100% of its global electricity usage and committing to a 50% reduction in emissions by 2030. Steelcase also invests in carbon offset projects equivalent to 100% of its direct emissions.

"Steelcase continues to see the destructive effects of climate change that touch the lives of people in communities around the world

and are pleased to be taking immediate steps in the right direction."

Skanska Develops Tool to Help Its Net-Zero Efforts

Skanska has set a group target of achieving net-zero carbon emissions by 2045 and a 50% reduction by 2030, a goal that is inclusive of the company's whole value chain of suppliers, subcontractors and those connected to the use phase of the buildings and infrastructure that Skanska creates.

To better and more quickly achieve this goal, Skanska developed the EC3 calculator. Short for embodied carbon in construction calculator, the EC3 tool is a free database that allows builders to see what building material components are the most carbon-intensive and where there are opportunities to reduce embodied carbon during the construction process.

Beyond their own net-zero goals, Skanska has made their EC3 tool accessible to anyone, in an effort to reduce carbon emissions across the construction industry as a whole. Companies who are already using this tool in their most high-profile projects include Microsoft, Turner Construction and Mercury.

Currently, Skanska is using the tool in the development of all its new projects, most notably 9000 Wilshire in Beverly Hills and 1550 on the Green in Houston where it aims to reduce embodied carbon by 60%. By using the EC3 tool during 1550 on the Green's foundation pour, Skanska reduced carbon emissions equivalent to taking 172 cars off the road each year.

